

## **Alcoholic Beverages and Beer Tax Guide**

**DEPARTMENT OF REVENUE**  
500 Deaderick St., Nashville, TN 37242

January 2003

---

Dear Tennessee Taxpayer,

This publication is designed to help taxpayers better understand the Tennessee taxes on alcoholic beverages and beer, including the collection and remittance of the taxes. The taxes on alcoholic beverages and beer are a part of the Tennessee tax structure. You may find compliance easier when you know more about these taxes. Please take time to acquaint yourself with how these taxes may apply to you. This guide to the taxes on alcoholic beverages and beer does not have the effect of law but is intended as an informal reference for taxpayers who wish to gain a better understanding of the requirements of the Tennessee taxes on alcoholic beverages and beer. It is not an all-inclusive document. The tax guide is not intended as a substitute for the statutes or Rules and Regulations concerning Tennessee taxes on alcoholic beverages and beer, nor is it intended to be a statement of Department of Revenue policy. The information in this guide is current as of the date of publication but could change as the tax laws, their interpretation, and their application do change from time to time because of legislative action, reviews, and court decisions.

Periodically, registered taxpayers are mailed information letters with updates on tax laws and policies. Be sure to read any letter you receive carefully; this information may save you time and money. Informational publications are also available for specific industries. Contact the Taxpayer Services Division to obtain these publications.

The Department of Revenue offers a toll free tax information line for Tennessee residents. The number is 1-800-342-1003. If calling from Nashville or out-of-state, you may call (615) 253-0600. The Department of Revenue also offers a telecommunications device for the deaf (TDD) line at (615) 741-7398.

In addition, the Department of Revenue offers a HOTLINE number for the exclusive use of the tax practitioner. In-state practitioners may call toll free 1-800-397-8395; from Nashville and out-of-state call (615) 253-0700.

If you have questions, please do not hesitate to contact any of the offices listed below.

Sincerely,

Taxpayer Services Division

Tennessee Department of Revenue  
Taxpayer Services Division  
Andrew Jackson Building, 3<sup>rd</sup> Floor  
500 Deaderick Street  
Nashville, Tennessee 37242-1099

Toll Free: 1-800-342-1003  
Out-of-State: (615) 253-0600  
TDD: (615) 741-7398

#### Regional Offices

Chattanooga:  
540 McCallie Avenue  
Suite 350  
Chattanooga, TN 37402  
(423) 634-6266

Jackson:  
Lowell Thomas State Office Bldg  
225 Dr. Martin L. King Drive  
Box 44  
Jackson, TN 38301  
(731) 423-5747

Johnson City:  
204 High Point Drive  
Johnson City, TN 37601  
(423) 854-5321

Knoxville  
531 Henley Street  
Room 606  
Knoxville, TN 37902  
(865) 594-6100

Memphis  
3150 Appling Road  
Bartlett, TN 38133  
(901) 213-1400

## TABLE OF CONTENTS

---

<b>ALCOHOLIC BEVERAGE COMMISSION</b>	<b>5</b>
Powers and Duties of the Commission	5
Licensing Procedures	5
License Classifications	6
<b>SALES OF ALCOHOL FOR CONSUMPTION ON THE PREMISES</b>	<b>7</b>
Local Referendum Required	7
Application Procedures	7
Bond Requirement	7
Taxes and Fees	8
Tax on Gross Sales	8
Commercial Airlines, Paddlewheel Steamboats, and Passenger Trains	8
Restrictions on the Disposition of Alcoholic Beverages	8
Wine or Spirits Used in Food Preparation	9
Reports to the Commissioner	9
Returns and Payment	9
Extension	9
Failure to File Timely Returns	9
Records	10
Transfer of Business Ownership	10
<b>MIXING BAR TAX</b>	<b>11</b>
Exceptions	11
Returns and Payment	11
Records	11
<b>BRAND REGISTRATION</b>	<b>12</b>
“Brand” Defined	12
The Measure of the Tax	12
Introduction of a New Brand	12
Failure to Register a New Brand	13
Transfer of Brands	13
<b>WHOLESALE GALLONAGE TAX</b>	<b>14</b>
Liability	14
The Measure of the Tax	14
Exceptions	14
Payment	14
Records	14
Documenting Credits from Gross Sales	15
Sales to Other Wholesalers	15
Returns or Exports	15
House Breakage	15
Sacramental Wine	15
Loss by Fire or Act of Nature	15
Military Sales	15
Wholesaler’s Bond Requirement	15
Transportation of Alcoholic Beverages	16
Transporter’s Bond Requirement	16
Documents Required for Shipment	16
<b>WHOLESALE CASE TAX ON ALCOHOLIC BEVERAGES</b>	<b>17</b>
Returns and Payment	17
<b>BEER AND ALCOHOLIC BEVERAGES CONTAINING UP TO FIVE PERCENT ALCOHOL</b>	<b>18</b>
Registration of Manufacturers and Wholesale Distributors	18
Failure to Register	18

## TABLE OF CONTENTS

---

County or City Permit Required	18
Classification of Counties	19
Resale Certificate	19
Application for Permit	19
Annual Privilege Tax	19
Notice to Permit Holders	19
Licenses to Sell Outside of Town or City Limits	19
Bonds – Warehousemen, Dealers, and Manufacturers	20
<b>BARRELS TAX</b>	<b>21</b>
Liability for the Tax	21
Purchase of Beverages	21
Enforcement of the Tax	21
Exempt Sales	21
Credit for Military Sales	21
Payment of the Tax	22
Delinquent Payment of the Tax	22
Records	22
<b>WHOLESALE BEER TAX</b>	<b>23</b>
The Levy of the Tax	23
Exemption for Military Sales	23
Adjustments	23
Damaged Containers	23
Out-of-State Shipments	23
Repurchase of Previously Sold Beverages	24
Gifts or Discounts	24
Payment of the Tax	24
Delinquent Returns	24
Cash Sales	24
Wholesale Price List	24
Changes in Wholesale Price	25
Designated Sales Territories	25
Change of Wholesaler	25
Wholesaler's Bond	26
Records and Reports	26
Investigations	26
<b>MISCELLANEOUS FEES AND PERMITS</b>	<b>27</b>
Municipal Inspection Fee	27
Non-Resident Seller's Permit	27
Inspections of Permit Holders	27
Employee and Server Permits	27
<b>TRANSPORTATION OF BEER AND LIGHT ALCOHOLIC BEVERAGES</b>	<b>29</b>
Liability for Tax on Goods Damaged in Transit	29
Change of Consignee or Delivery Destination	29
Transportation Without Payment of Tax	39
Contraband	30
Notification of Seizure	30
Claims Procedure	30
Designation of Hearing Officer	31
Release of Goods to Claimant	31
Commissioner's Ruling	31
Hearing Costs and Fees	32
<b>GENERAL INFORMATION</b>	<b>33</b>
Mailing Date for Returns	33

## TABLE OF CONTENTS

---

Penalties and Penalty Waivers	33
Interest	33
Audits and Assessments	33
Right to a Conference	33
<b>The Taxpayer Bill of Rights</b>	<b>34</b>
<b>Forms</b>	<b>Appendix</b>
Required Documents to Serve Liquor or Wine in Tennessee By-the-Drink Establishments	A
Alcoholic Beverage Commission – Application to Sell Alcoholic Beverages on the Premises	B
Tennessee Department of Revenue - Bond For Alcoholic Beverages Sold on the Premises	C
Price Schedule for Sales of Alcoholic Beverages for Consumption on the Premises	D
Alcoholic Beverages for Consumption on the Premises Return (LBD 103)	E
Mixing Bar Tax Return (GRO 204)	F
Brand Registration Tax Return (ALC 106)	G
Wine Tax Return (ALC 105)	H
Wholesale Alcoholic Beverage Tax Return (ALC 102)	I
Distiller's Alcoholic Beverage Tax Report (ALC 101)	J
Common Carrier's Alcoholic Beverage and Beer Tax Return (ALC 104)	K
Alcoholic Beverage Enforcement Tax Return (ALC 109)	L
Application for Beer Certificate of Registration (BER 114, BER 115)	M
Beer Tax Return (BER 108)	N
Wholesale Beer Tax Return (BER 107)	O

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

### ALCOHOLIC BEVERAGE COMMISSION (§ 57-1-102)

The Alcoholic Beverage Commission is established by law as the licensing and regulatory body for all persons wishing to engage in the manufacturing, distilling, mixing, or selling of beverages containing certain percentages of alcohol. The scope of this regulation encompasses these beverages:

- + "Alcoholic beverage" or "beverage" - Includes alcohol, spirits, liquor, wine, and every liquid containing alcohol, spirits, or wine and capable of being consumed by a human being, other than patent medicine, or beer where the latter contains an alcoholic content of five percent by weight or less. It includes any liquid product containing distilled alcohol, capable of being consumed by a human being, made with distilled alcohol no matter what the alcoholic content. Products or beverages containing less than one half of one percent alcohol by volume, other than wine as defined in §57-3-101, shall not be considered to be alcoholic beverages and shall not be subject to regulation or taxation under TCA Title 57.
- + "Wine" - The product of the normal alcoholic fermentation of the juice of fresh, sound, ripe grapes, with the usual cellar treatment and necessary additions to correct defects due to climatic, saccharine, and seasonal conditions, including champagne, sparkling and fortified wine of an alcoholic content not to exceed twenty-one percent by volume. No other product may be called "wine" unless designated by appropriate prefixes descriptive of the fruit or other product from which the beverage was predominantly produced, or an artificial or imitation wine.

The Alcoholic Beverage Commission consists of three members appointed by the governor. The Commission has authority to appoint a director, assistant director, and a chief law enforcement officer who serves under the supervision of the director. No person is eligible to be appointed to, or employed by, the commission if that person or any family member has any interest, financial or otherwise, either direct or indirect, in any distillery, wholesale dealer, retail dealer, or building occupied by any such dealer licensed as such in the state of Tennessee. Nor may any member of the commission own stock or any interest in such activity.

#### Powers and Duties of the Commission

The commission is authorized to adopt and promulgate the rules and regulations that pertain to

alcoholic beverages. The commission may alter, amend, or repeal any parts of the rules and regulations as it deems necessary. The commission may promulgate rules governing the conduct of educational seminars conducted by businesses licensed under § 57-3-204. (§ 57-1-209)

The commission is authorized to investigate and/or arrest, without warrant or process, any person who the arresting officer has probable cause to believe is committing or attempting to commit a felony in violation of Title 39, Chapter 17, Part 4, if the felony is committed on premises licensed by the commission, on any premises under investigation by the commission in conjunction with its other duties and responsibilities, or any other premises selling alcoholic beverages as defined in § 57-3-101, whether licensed or unlicensed. (§ 57-1-210)

#### Licensing procedures (§ 57-3-104)

The Commission has the authority, by and with the consent of the governor, to:

- + Employ persons necessary for the effective administration and enforcement of state law. It has the duty and power to issue all licenses in respect to, or for, the manufacture, importation, bottling, keeping, giving away, furnishing, possession, transportation, sale, and delivery of alcoholic beverages, and to revoke any license whatsoever, that it has the authority to issue.
- + Refuse to issue a license or permit if, upon investigation, it finds that the applicant for a license or permit has concealed or misrepresented any material fact or circumstance concerning the operation of the business or employment, or if the interest of the applicant in the operation of the business or employment is not truly stated in the application, or in case of any fraud or false swearing by the applicant touching any matter relating to the operation of the business or employment. If a license or permit has been issued, the commission shall issue a citation to the licensee or permittee to show cause why the license or permit should not be suspended or revoked. All data, written statements, affidavits, evidence, or other documents submitted in support of an application are a part of the application.
- + Make, alter, amend, or repeal rules and regulations and prescribe all forms of application, licenses, and tax stamps, and of all reports and other papers and documents required to be used in the enforcement of TCA Title 57.

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

### License Classifications

The Alcoholic Beverage Commission may issue, under provisions of state law, the classes of licenses and permits listed below. Beer permits are issued by the respective city or county government where the establishment seeking the license is located. Licenses and permits issued by the Alcoholic Beverage Commission are:

- + Manufacturer's, distiller's, or rectifier's license;
- + Liquor wholesaler's license;
- + Liquor retailer's license; and
- + Winery license. (§ 57-3-210)
- + Non-resident seller's permit. (§ 57-3-605)
- + Employee and Server permits. (§ 57-3-702)

Any person, firm, or corporation desiring to manufacture, distill, rectify, or sell wine or other alcoholic beverages must apply to the commission, on forms furnished by the commission, for a permit so to do. No person, firm, or corporation is authorized to engage in any of these activities until the permit is approved and issued by the commission. There are general requirements for all licenses and specific requirements that are pertinent to the type of license or permit required. For information regarding the licensing requirements, fees, and procedures, please contact the Alcoholic Beverage Commission at (615) 741-1602. Any person, firm, or corporation desiring to brew or sell beer should contact their local city or county government for applicable information.

The same entity that grants the license has the power to revoke the license for sufficient cause under § 57-5-108(a). Information relating to rules, procedures, applicable state and local laws, and license revocation and relief procedures should also be obtained from the licensing agency at the time of application.

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

### **SALES OF ALCOHOL FOR CONSUMPTION ON THE PREMISES (Liquor by the Drink) (§ 57-4-101)**

Under state law, it is legal for certain taxpayers to sell alcoholic beverages, wine, and beer for consumption on the premises. These taxpayers, as defined in TCA § 57-4-102, include:

- + Hotels and motels.
- + Commercial passenger boat companies.
- + Restaurants.
- + Commercial airlines.
- + Passenger trains.
- + Charitable, non-profit, or political organizations.
- + Tourist resorts or clubs.
- + Convention centers.
- + Historic performing arts centers.
- + Urban park centers.
- + Historic interpretive centers.
- + Community theaters.
- + Historic mansion houses.
- + Terminal buildings of commercial air carriers.
- + Zoological institutions.
- + Museums.
- + Commercial airline travel clubs.
- + Public aquariums or aquarium exhibition facilities.
- + Caterers.
- + Sports authority facilities.
- + Clubs.
- + Bed and breakfast establishments.
- + Motor speedways
- + Theaters.
- + Paddlewheel steamboat companies.

These taxpayers are very specifically defined in § 57-4-102. Any taxpayers with questions as to whether or not they qualify as one of the entities listed above should read the cited section of the Tennessee Code or call the Alcoholic Beverage Commission.

### **Local Referendum Required**

Although these taxpayers are qualified to sell liquor by the drink under state law, none may engage in sales of alcoholic beverages and wine for consumption on the premises in any county or municipality that has not approved these sales by a popular referendum in that county or municipality. Approval of these sales by referendum must be certified to the Alcoholic Beverage Commission by the county election commission. If a county referendum has approved sales of alcoholic beverages, wine, or beer for consumption off the

premises, then any municipality within that county may conduct a referendum to authorize sales for consumption on the premises within the boundaries of that municipality.

### **Application Procedure**

If sales for consumption on the premises, also referred to as liquor by the drink, have been approved in the county or municipality, then qualified entities may apply to the Alcoholic Beverage Commission, according to the commission's requirements, for a permit to sell wine and spirits. (They must apply to the local authorities for approval to sell beer.) Restaurants may apply to sell wine only, under the provisions of § 57-4-101(n). After receipt and proper investigation of the application, the Alcoholic Beverage Commission will decide whether or not a permit will be issued. For complete licensing requirements and rules, call the Alcoholic Beverage Commission. (See Appendix B.)

### **Bond Requirement (Rule 1320-4-2-.02)**

Each person seeking a license to make sales for consumption on the premises must, as a condition prior to the granting of the license, post security with the Commissioner of Revenue. This security may be in the form of a corporate surety indemnity bond, a cash deposit, or a bond secured by a certificate of deposit. This security will be posted to insure proper payment of all taxes incurred for which the applicant may become liable. (See Appendix C.)

For all licensees, other than restaurants selling only wine, the amount of the initial security will be ten thousand dollars. For restaurants selling only wine, the amount of the initial security will be two thousand dollars. After the first three months of operations and timely submission of all required reports and returns, the licensee can submit a written request to have the security adjusted to four times the average monthly tax liability of the first three months. The security amount cannot be adjusted to less than one thousand dollars.

After the first three months of doing business, the Commissioner may also determine that the security should be adjusted to four times the average monthly tax liability. If required, additional security must then be posted to cover the amount required. Failure to post security as determined by the Commissioner, or forfeiture or cancellation of any portion of the



## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

security posted, will cause any application for license or renewal of license to be disapproved.

The provisions of this rule shall also apply to restaurants selling wine only, except that the “wine only” licensee may request, after the first three months of operation, that the Commissioner adjust the amount of the security required to twenty percent of four times the average monthly tax liability, but not less than one thousand dollars. The Commissioner may also determine, after the first three months of operation, that the amount of security must be adjusted to equal twenty percent of four times the monthly tax liability.

### Taxes and Fees (§ 57-4-301)

Any person engaging in the retail sales of alcoholic beverages, wine, or beer for consumption on the premises is exercising a taxable privilege. The state legislature has established the following state taxes, to be paid annually:

<u>Entity</u>	<u>Tax</u>
Private Club	\$ 300
Convention Center	\$ 500
Hotel or Motel	\$ 1000
Premier Type Tourist Resort	\$ 1500
Restaurant	
75-125 Seats	\$ 600
126-175 Seats	\$ 750
176-225 Seats	\$ 800
226-275 Seats	\$ 900
276 Seats and over	\$ 1000
(Restaurant licensed to sell wine only: one-fifth the amount specified above per seating capacity.)	
Historic Performing Arts	
Center	\$ 300
Urban Park Center	\$ 500
Commercial Passenger Boat	
Company	\$ 750
Historic Mansion House Site	\$ 300
Historic Interpretive Center	\$ 300
Community Theater	\$ 300
Zoological Institution	\$ 300
Museum	\$ 300
Commercial air carrier terminal	
building facility	\$ 1000
Commercial Airline Travel	
Club	\$ 500
Public Aquarium	\$ 300
Motor Speedway	\$ 1000
Theater	\$ 300
Paddlewheel Steamboat	\$ 750
Company	

Each county and municipality where one of these entities exercises its privilege may also levy and collect the privilege tax separately from any other taxing authority.

### Tax on Gross Sales

In addition to these taxes, a fifteen percent Tennessee tax is also levied on these establishments on the gross sales of all alcoholic beverages and wine for consumption on the premises.

### Commercial Airlines, Paddlewheel Steamboats, and Passenger Trains

In lieu of the taxes listed above, commercial airlines, paddlewheel steamboats, and passenger trains will pay an annual licensing fee of \$750. In addition, these entities must pay Tennessee tax on alcoholic beverages brought into this state on which Tennessee tax has not been paid. Their tax liability is determined by a two-fold apportionment computation. First, the entity must multiply the quantity of each type of alcoholic beverage purchased within its operating system by the ratio of its revenue passenger miles in Tennessee to the total revenue passenger miles within its system. Next, the entity must multiply the respective results obtained in this computation by \$1.21 per gallon of wine and \$4.40 per gallon of spirits apportioned to Tennessee.

### Restrictions on the Disposition of Alcoholic Beverages (Rule 1320-4-2-.04)

No licensee may make any disposition of liquor or wine other than through sales for consumption on the premises.

A license holder may also suffer a loss of inventory through theft, breakage, or acts of nature. If this happens, the licensee can be permitted to reduce inventory by the amount of beverage lost by supplying proper proof of the loss to the Department, and thereby eliminate the tax liability for the lost beverages.

- + Theft: As soon as feasible after the theft, provide the Department with proof that the theft was reported to the proper law enforcement agency and that the insurer of the goods has paid for the loss. Upon receipt of the proof, the Department will issue the licensee a certificate, a copy of which must be retained in the licensee's records for three years as authorization for the inventory reduction.

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

- + Breakage or acts of nature: As soon as feasible after the loss occurs, obtain the assistance of an agent of the Department to observe the loss and furnish a certificate of loss. The certificate must state the quantity and brand of liquor on which the federal strip stamp remains intact, and the quantity and brand of wine, on which the crown, cap, seal, or cork remain intact and unbroken.
- + In instances when the container is unbroken but the contents are considered unsalable by the Pure Food and Drug Administration or other appropriate authority, the licensee can be allowed the inventory reduction if the contents are destroyed by or in the presence of a Department agent and so certified. A copy of either certification must be retained for three years as documentation of the reduction.

### **Wine or Spirits Used in Food Preparation**

Wine or distilled spirits to be used in the preparation of food will be stored separately from those sold by the drink for consumption on the premises. They must be used exclusively in the preparation of food. If any portion of the contents of a bottle is sold by the drink for consumption on the premises, the entire contents of the bottle will be taxed.

### **Reports to the Commissioner (Rule 1320-4-2-.05)**

Each applicant will provide the Commissioner of Revenue, on prescribed forms, price schedules of all alcoholic beverages offered for sale, and show the regular sales price of each drink listed, including the applicable sales tax and alcohol beverage tax. When drinks are sold at other than the regular sales price, as during happy hour, the schedule shall reflect the event or activity, the number of hours per day and days per week, and the special price at which the drinks are sold. (See Appendix D.)

These schedules must be provided at the time of application and must be updated when any change is made in the information contained on the schedule. A revised schedule must be forwarded to the Commissioner prior to the effective date of any change to the schedule.

### **Returns and Payment (§ 57-4-302)**

The Commissioner of Revenue is the collecting authority for the state taxes listed here, and may promulgate rules and regulations to implement full collection. The tax will be collected from the consumer and will be remitted by the retailer.

The tax is due monthly, on the first day of the following month. On or before the fifteenth day of each month, each licensee will send the Department of Revenue returns showing the gross sales of all sales taxable under this tax during the preceding month. A separate return must be filed for each established place of business. The amount of tax due will be remitted at the same time. Failure to remit the tax by this date will cause it to be delinquent. (See Appendix E, Appendix H.)

The Commissioner may, at the written request of the licensee, authorize a taxpayer to file on an accounting period other than monthly. In this case, the licensee will file the return on or before the fifteenth day of the month following the end of the reporting period. All other reporting requirements remain the same.

### **Extension**

The Commissioner may, for good cause, grant an extension of time, not to exceed 30 days, for a licensee to file the return and pay the tax due. Requests for extension must be made in writing, state why the extension is needed, be signed by the licensee, and be made prior to the due date of the tax return and tax. (§ 57-4-304(a))

### **Failure to File Timely Returns**

When any taxpayer fails to file a timely return or is delinquent in payment of tax for the third time in any one-year licensing period, the Commissioner may recommend to the Alcoholic Beverage Commission that the license of that taxpayer be revoked or suspended. It is a misdemeanor for any licensee to continue in business after revocation or suspension of the license. Each day in business constitutes a separate violation. (§ 57-4-304(b))

If a licensee becomes delinquent in the payment of the tax, the Commissioner may notify, by registered mail, any person, including the Alcoholic Beverage Commission, having in their possession or control any credits or other personal property belonging to the delinquent licensee, or owing any debts to the licensee at the time of the delinquency. No one so notified may make any disposition of those debts or properties without the approval of the Commissioner, or until 30 days elapse from the receipt of the notice. Any person receiving such notice must advise the Alcoholic Beverage Commission of such property, credits, or debts within five days. (§ 57-4-305)

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

### Records (Rule 1320-4-2-.06)

Every person licensed for sales for consumption on the premises is required to properly report and pay the applicable tax on sales. To do so, records must be maintained that will provide a daily record of sales clearly distinguishing between regular sales and happy hour or special price sales, and all purchases of alcoholic beverages distinguishing between alcoholic beverages used in cooking and for drinks. These records must be maintained for four years and must include:

- + A monthly inventory by brand of the value of stock on hand as of the last day of each month.
- + A daily record of all sales. Entries for sales of alcoholic beverages must not be commingled with sales of food, beer, or other items. Entries on documents evidencing sales of alcoholic beverages should be made either on a separate document or on the bottom or reverse of any document showing sales of other items. If cash registers are used, tapes must be keyed separately for sales of alcoholic beverages and sales of beer, food, or other items. Summary totals will not be accepted unless supported by the itemized tape used to arrive at such totals.
- + Receipts derived from the sales of alcoholic beverages sold at other than regular prices, as posted with the Department, on the price schedule (happy hour sales, etc.) must be clearly recorded on cash register receipt tapes and/or guest checks showing the total sales during a particular period or activity. Summary totals and/or grand totals of such tapes will not be accepted unless supported by the itemized tape used to arrive at the total.
- + A record of all alcoholic beverages purchased including all invoices, delivery tickets, bills of lading, and copies of purchase orders. The purchase dates will be considered to be the invoice dates.
- + A perpetual inventory record of all alcohol or wine used in cooking. Cooking alcohol and wine must be stored separately from alcoholic beverages, used exclusively for cooking purposes, and accounted for as a food item.

### Transfer of Business Ownership (Rule 1320-4-2-.08)

Any person that purchases or obtains ownership of a business engaged in making sales of alcoholic beverages for consumption on the premises will not make any sales of alcoholic beverages prior to receiving a license from the Alcoholic Beverage Commission and registering for sales and alcoholic beverage taxes with the Department of Revenue. Any person making sales before accomplishing these actions will be held liable for the tax on those sales, and will be operating illegally under state law.

Any person that sells, transfers, or otherwise terminates ownership in a business engaged in sales of alcoholic beverages for consumption on the premises must provide notice of the sale, transfer, or termination to the Department of Revenue within 15 days of the effective date of the sale, transfer, or termination. "Notice" means direct written notice to the Department as part of the final alcoholic beverage return and final sales tax return of the business. The business's alcoholic beverage license must also be surrendered to the Alcoholic Beverage Commission. (§ 57-4-303)

Any person who, upon sale or transfer of the business, allows or permits the new owner or operator to remit tax, make wholesale purchases, or conduct business in any manner using the seller's or transferor's alcoholic beverage license or tax registration will be jointly and severally liable with the new owner or operator for any unpaid taxes accrued during the period of illegal operation. Any person that fails to provide the required notice to the Department of Revenue, with the result that the new owner continues to operate under the seller's or transferor's alcoholic beverage license, will be presumed to have allowed the illegal operation to occur.

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

### MIXING BAR TAX (§ 67-4-410)

Any person selling mixed drinks and/or setups for mixed drinks in any location is liable for a gross receipts privilege tax on sales of those items. The tax rate is fifteen percent of gross sales.

The term “mixed drinks and/or setups for mixed drinks” includes any sales of beverages containing any alcoholic content, except for beer, and includes sales of water, soft drinks, ice, or any item capable of being used to prepare a mixed drink at a place of business. It also includes the sales of setups for mixed drinks to be consumed by persons supplying alcoholic beverages from their own container (for example: bring-your-own-bottle) on the premises of any business holding a license to dispense alcoholic beverages for consumption on the premises.

This tax is applicable to any sales of mixed drinks or setups, as defined above, regardless whether the drinks or setups are consumed on the premises of the business or off the premises. It also applies to any country club; nightclub; private clubs such as social, dinner, athletic, or sporting clubs; and fraternal societies, orders, or associations making sales of these items.

### Exceptions

This tax does not apply to liquor wholesalers licensed under § 57-3-203 of the Tennessee Code. It also does not apply to sales of setups made by cafes, cafeterias, or restaurants where their sales are incidental to their primary business, selling prepared meals, and where no bar or separate facility is maintained for the purpose of selling mixed drinks or setups.

### Returns and Payment

The mixing bar tax is due monthly and must be remitted to the Department of Revenue not later than the twentieth day of the month following any month in which the taxpayer has gross receipts from any sales of mixed drinks or setups. The tax is due from persons making these sales even if the sales were not made legally under the pertinent county or municipal code respective to the location of the sale. (See Appendix F.)

### Records

Persons making sales and remitting the tax will maintain pertinent records, as required by state law, for audit review; these records will include records of all purchases and gross receipts from the sales of bottled beverages, mixed drinks, and setups.

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

### BRAND REGISTRATION (§ 57-3-301)

#### “Brand” Defined

Each and every distilled spirits or wine product bearing a distinct “brand name” or “trade name”, as those terms are defined and used in the regulations put into effect by the federal Bureau of Alcohol, Tobacco, and Firearms (ATF), concerning labeling of wines and distilled spirits, are considered a separate brand for tax purposes in Tennessee.

Within the group of wine or distilled spirits products bottled, manufactured, distilled, rectified, imported, or marketed under a particular “brand name” or “trade name” as previously defined, products that fall within separate classes or types, as defined in the standards of identity for the several classes and types of wine and distilled spirits put into effect by the ATF, will also be considered separate brands for Tennessee tax purposes. Wine or distilled spirit products that differ only in the amount of alcohol they contain shall not be considered as separate brands.

Examples are given below. This is not an all-inclusive listing of the many brands defined under the law.

- + Grape wine, sparkling grape wine, and carbonated grape wine are considered three separate brands of grape wine. Further, champagne, champagne style, and crackling wine are all considered different brands of sparkling grape wine.
- + The major category brands of distilled spirits are neutral spirits or alcohol, whiskey, gin, brandy, blended applejack, rum, tequila, cordials and liqueurs, flavored distilled spirits, imitations, geographical designations, and products without geographical designations but distinctive of a particular place. Further, brands of whiskey are bourbon whiskey, whiskey distilled from bourbon, light whiskey, blended whiskey, blended straight whiskey, spirit whiskey, scotch whiskey, Irish whiskey, and Canadian whiskey.

#### The Measure of the Tax (§ 57-3-301(a)(2))

Every manufacturer or importer distributing brands of alcoholic beverages in Tennessee must properly register each brand distributed by them and pay the

proper amount of brand registration privilege tax to the Department of Revenue. The privilege tax year is from June 1 through May 31 each year. All documents must be filed, and the tax paid, by May 1 each year; the tax is delinquent after May 31. (See Appendix G.)

The tax is based on the number of cases of each brand sold during the previous 12-month period. If a particular brand was not sold for the entire 12-month period, the tax will be based on the average monthly sales of that brand times twelve. Tax is due in the following amounts:

- + For each brand of distilled spirits for which actual wholesale sales were fifty cases or more, the tax is \$250 per year.
- + For each brand of distilled spirits for which actual wholesale sales were less than fifty cases, the tax is \$100 per year.
- + For each brand of wine for which actual wholesale sales were two hundred fifty cases or more, the tax is \$250 per year.
- + For each brand of wine for which actual wholesale sales were less than two hundred fifty cases, there is no tax due.

#### Introduction of a New Brand

No manufacturer, importer, or representative can introduce any brand of alcoholic beverage into Tennessee until the tax has been paid to the Department of Revenue. Likewise, no wholesaler can give an order for, receive, accept, or offer for sale any brand of alcohol beverages until the brand has been registered and the annual tax paid to the Department.

Any manufacturer or importer that wishes to introduce a new brand of alcoholic beverage in Tennessee, one that has not been distributed previously in this state, will first register the brand and pay the tax of \$250 per brand being registered. The \$250 tax payment will be prorated on the basis of 1/12<sup>th</sup> of the tax for each month remaining in the privilege tax year in which the brand is registered. Any manufacturer or importer paying a prorated amount upon initial registration will pay, for the first subsequent full privilege tax year, an amount based on the average monthly number of cases sold at wholesale in Tennessee during the initial partial year times twelve.

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

### **Failure to Register a New Brand (Rule 1320-4-6-.07)**

If a manufacturer or distributor fails to register or improperly registers a new brand, the Department will notify that person to cease distribution in Tennessee until proper registration is made. The Department will also notify the Alcoholic Beverage Commission that the person's permit should be suspended pending proper registration. If proper registration does not ensue within thirty days, any unregistered or improperly registered beverages will be seized and sold by the Department.

In addition to paying the applicable tax each year, each manufacturer or distributor will file, with the Department, copies of all written contract or renewal agreements with Tennessee wholesalers making sales of their brands in this state, copies of the labels of each brand of alcoholic beverages distributed in this state, copies of the approved ATF Form 1649, and any other reports or forms required by the Commissioner of Revenue. Copies of labels and forms need not be filed every year, but must be filed initially and when any label change or filing addition is made.

### **Transfer of Brands (Rule 1320-4-6-.07)**

No manufacturer or importer will be permitted to transfer a brand from one wholesale distributor to another or terminate a contract prior to the expiration of its term without written permission of the Commissioner. Request for approval of transfer or termination must be submitted in writing with a copy submitted simultaneously to the wholesale distributor in whose name the brand is currently registered.

Upon receipt of the request to terminate, the Department will notify both the requesting party and the wholesale distributor that they have thirty days to resolve any deficiency. There will be no change in the brand during those thirty days. If, at the end of the thirty-day period, the requesting party wishes to continue, it must notify the Department in writing of

that intention. If a request to proceed is received, the Commissioner will make a determination as to whether there is good cause to transfer the brand, and notify the parties when the decision is reached. The parties then have ten days to request a hearing before the decision becomes final. If a hearing is requested, the decision will not take effect unless the hearing officer approves the transfer or termination.

Rulings of good cause could be made if any of these situations were found to exist:

- + The wholesaler's failure to substantially comply with the requirements of the manufacturer or distributor when those requirements were neither discriminatory when compared with requirements imposed on other wholesalers nor in violation of any law or regulation.
- + The wholesaler's failure to act in good faith and in a commercially reasonable manner in fulfilling the contract.
- + Voluntary abandonment of the contract.
- + The wholesaler's conviction in court of an offense punishable by imprisonment of more than one year.
- + Any act by the wholesaler that substantially impairs the manufacturer or importer's name or trademark.
- + Institution of insolvency or bankruptcy proceedings against the wholesaler or the wholesaler's assignment for the benefit of creditors.
- + The wholesaler's failure to pay the manufacturer or distributor within thirty days of notification of any past due monies owed that relate to the contract.
- + The wholesaler's failure to comply with any federal, state, or local law or regulation material to the operation of the distributorship that could impair the wholesaler's future performance.



## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

### WHOLESALE GALLONAGE TAX

#### Liability (§ 57-3-303(a))

Any wholesaler that imports alcoholic beverages into Tennessee or receives alcoholic beverages manufactured in Tennessee for eventual retail sale, in any size retail container, or in-state distribution by sale or gift will pay a tax on each gallon or portion of a gallon distributed or sold.

Any manufacturer or rectifier licensed to manufacture alcoholic beverages in Tennessee will pay the tax directly to the Department of Revenue on the amount of its own product that is needed for its own use, not to exceed 100 cases per month. Out-of-state shipments of alcoholic beverages from Tennessee manufacturers or distillers, made to persons holding both federal and state licenses to sell alcoholic beverages, will not be subject to the tax. (§ 57-3-303)

Any person possessing more than three gallons of alcoholic beverages will have the burden of proof that all applicable taxes have been paid on those beverages. (§ 57-3-304)

This is a state tax only. No county or municipality or other taxing district has the power to levy a like tax. (§ 57-3-305)

#### The Measure of the Tax

The tax on the sale or distribution of wine is \$.31966 per liter or \$1.21 per gallon.

The tax on the sale or distribution of spirits is \$1.16237 per liter or \$4.40 per gallon.

#### Exceptions

The tax on the sale or distribution of wine does not apply to the sale, gift, or distribution of any wine manufactured, sold, given away, or distributed and used solely as sacramental wine. (§ 57-3-302)

The tax on intoxicating liquor or alcoholic beverages with an alcohol content of more than five percent will not be applicable to those beverages sold for consumption within the geographical boundaries of a fort, base, camp, or post of the armed forces of the United States or to post exchanges, ship service stores, commissaries or messes operated by the

United States armed forces. This exemption will be applied in the form of a credit for taxes paid on these beverages. The credit shall be allowed only upon application by the wholesaler or distillery making deliveries of the intoxicating beverages. In addition to the application for credit, the requestor will need to furnish a copy of the invoice with the signature of a person having proper authority over the post exchange, ship service store, commissary, or mess certifying that the alcoholic beverages were sold and delivered to the military entity. (§ 57-3-303(k))

#### Payment

The wholesale gallonage tax is payable on the first day of the month following the month when the taxable transactions occur. It will be delinquent if not paid on or before the fifteenth day of that following month. (See Appendices H – M.)

The tax remitted on the return will be based on the adjusted gross sales for the preceding calendar month. “Adjusted gross sales” means the total disposition of all alcoholic beverages except:

- + Sales to other wholesalers.
- + Returns to distillers or other suppliers, or exports authorized by suppliers to other than distillers.
- + Damaged or deteriorated merchandise that has been destroyed or house breakage of wines and distilled spirits on which the federal tax strip stamp is intact.
- + Sales, gifts, or distribution of wine used solely for sacramental purposes.
- + Beverages accidentally damaged or destroyed on the business premises by fire or other acts of nature.
- + Sales to qualified military installations of the federal government.

#### Records

Each wholesaler, distiller, or manufacturer required to file a return shall keep accurate and complete books and records, accounts, and other documents as may be deemed necessary by the Commissioner and the commission to substantiate the accuracy of the wholesaler's, distiller's, or manufacturer's return and the amount of tax due, and shall retain such records for a period of three years. (§ 57-3-303(d))

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

### **Documenting Credits from Gross Sales (Rule 1320-4-6-.02)**

#### **Sales to Other Wholesalers**

Tax-free sales to other wholesalers must be supported by properly documented sales invoices in the consignor's records and receipts in the consignee's records.

#### **Returns or Exports**

Products returned to distillers, or exports authorized by suppliers, must be documented with:

- + Evidence of authorization from the supplier for return or export of the specific product.
- + A copy of the bill of lading regarding the product shipped.
- + An affidavit from the person receiving the returned or exported product indicating the product received and, for distilled spirits, the destruction of the identification stamps on those products.
- + Documentary evidence from the supplier that credit has been afforded the wholesaler for the returned or exported products.

The documentation for any returned product or exports for which tax relief is claimed will be attached to the tax return for the month in which the relief is claimed. No relief will be granted until all documentation required is attached to one return and is received by the Department.

#### **House Breakage**

Before relief can be granted for house breakage, the wholesaler must obtain the assistance of a Department representative. The representative will observe the broken containers and furnish documentation of the broken containers of spirits on which the federal strip stamp and manufacturer's seal are intact or the containers of wine on which the crown, cap, seal, or cork remain intact.

#### **Sacramental Wine**

Sales invoices applicable to the tax-free sales of wine for sacramental purposes must be signed by an authorized person designated in a letter from an official of the church or synagogue receiving the wine. The authorized person's signature must also be on file with the Department as a matter of record.

### **Loss by Fire or Act of Nature**

The wholesaler must furnish documentary evidence, which the Department of Revenue may use to reasonably determine that a specific loss has occurred by fire or other act of nature, before relief from tax liability may be granted.

#### **Military Sales**

These conditions must be met before a wholesaler may receive relief from liability for sales made to a fort, base, camp, post, post exchange, ship service store, commissary, or mess:

- + The commanding officer of the military installation must furnish the Commissioner of Revenue with a letter designating a person to sign invoices acknowledging the receipt of the products and a copy of the signature of this person.
- + The person so designated must have signed each invoice acknowledging receipt of the products and a certificate summarizing the items received. The designated person will also certify that the products received will be sold for consumption within the geographical boundaries of the military installation.

Copies of all invoices and the certificate must be attached to the monthly return for substantiation of the requested credit.

#### **Wholesaler's Bond Requirement**

A cash bond, or surety bond with a solvent surety company qualified to do business in Tennessee, must be posted with the Department annually. The amount of the bond will not be less than one hundred ten percent of the average monthly tax liability of the wholesaler for the preceding twelve-month period.

A wholesaler that is beginning business must file an initial bond for a four-month period in an amount determined by the Commissioner. At the end of the four-month period, the amount will be adjusted for the balance of the twelve-month period or until the following July 1, whichever occurs first, to equal not less than one hundred ten percent of the average tax liability for the initial four months.

Any taxpayer that has been in continuous operation for three consecutive years, and has timely paid the gallonage tax, for which the taxpayer is liable within the past twelve months, will not be required to execute or maintain a bond.



## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

### **Transportation of Alcoholic Beverages (§ 57-3-401)**

State law prohibits any person, firm, or corporation, other than a common carrier, from transporting, either in person or through an agent, employee, or independent contractor, untaxed alcoholic beverages within, into, through, or from the state of Tennessee, in quantities in excess of three gallons. This applies in either wet or dry counties. Any person may receive, possess, and transport alcoholic beverages, in any jurisdiction in which the retail sale of alcoholic beverages for consumption off the premises has been legalized, if all appropriate taxes as required by law have been paid upon those beverages. (§ 57-3-403(b))

### **Transporter's Bond Requirement**

Before any person may transport any alcoholic beverages within, into, through, or from this state, except by means of common carrier, that person must post, with the Alcoholic Beverage Commission, a bond with approved surety payable to the state of Tennessee, in the penalty of one thousand dollars, upon condition that the transporter will not unlawfully transport or deliver any alcoholic beverages within, into, through, or from this state. Evidence that the required bond has been posted must accompany the alcoholic beverages at all times during transportation. No such bond will be required of any person licensed under this chapter to sell alcoholic beverages at wholesale when those alcoholic beverages are being transported in a vehicle belonging to the licensee. (§ 57-3-403(a)(1))

### **Documents Required for Shipment**

A bill of lading, or other memorandum of shipment signed by the consignor, showing an exact description of the alcoholic beverages being transported; the name and address of the consignor; the name and address of the consignee; and the route to be traveled by such vehicle while in Tennessee will accompany alcoholic beverages at all times during transportation. This route must be the most direct route from the consignor's place of business to the place of business of the consignee. Vehicles transporting alcoholic beverages shall not vary from the route specified in the bill of lading or other memorandum of shipment. (§ 57-3-403(a)(2))

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

### **WHOLESALE CASE TAX ON ALCOHOLIC BEVERAGES (§ 57-6-201)**

There is also imposed an additional tax on the wholesale sale of alcoholic beverages. This tax rate is fifteen cents per case of each alcoholic beverage sold in Tennessee.

Each distiller, rectifier, vintner, and importer selling wine or distilled spirits to licensed wholesalers in Tennessee will send a duplicate of the sales invoice to the Commissioner. Attached to the duplicate invoice will be copies of all papers, exhibits, etc., which may be attached to the original invoice.

### **Returns and Payment**

The wholesaler will pay this tax monthly based on the number of cases sold during the previous month. It is the wholesaler's duty to file a report, on or before the fifteenth of each month, with the Commissioner of Revenue showing information relating to the sales and disposition of all alcoholic beverages and any other information that the Commissioner may require. (See Appendix L.)

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

### BEER AND ALCOHOLIC BEVERAGES CONTAINING UP TO FIVE PERCENT ALCOHOL

#### Registration of Manufacturers and Wholesale Distributors (§ 57-5-102)

Every person in Tennessee who engages in the manufacture or wholesale distribution of beer is required to first register its name and address, by mail or in person, with the Commissioner of Revenue. Any registered entity also must receive, and keep posted at its usual place of business, a certificate of registration bearing a serial number assigned to that person, firm, corporation, joint-stock company, syndicate, or association by the Commissioner. The registration shall be made and certificate of registration received and posted before business commences.

The registration cost is twenty dollars for wholesalers and forty dollars for manufacturers and is to be paid by the applicant before a certificate is issued. Once issued, the certificate must be renewed annually, on or before January 1, by payment of the registration fees. (See Appendix M.)

#### Failure to Register

Any person required to be registered, who fails to register with the Commissioner within twenty days after entering business, or who fails to obtain a renewal of registration for the current year by January 20, will have a penalty of five dollars a month for each month or fractional part of a month during which such failure continues added to the cost of registration. The total penalty assessment may not exceed an amount equal to the registration fee.

In addition to the specific mandatory penalty, any person who engages in any business or activity knowing a certificate of registration is required from the Commissioner, without first having obtained the certificate, or who, having obtained the certificate, continues to engage in or conduct business after the certificate has been revoked or suspended, will be liable to a penalty of not more than one hundred dollars to be imposed at the discretion of the Commissioner. Each day that such business or activity is so engaged in or conducted may be deemed a separate offense at the discretion of the Commissioner.

#### County or City Permit Required (§ 57-5-103)

It is unlawful, under the authority delegated by state law to counties and cities, to operate any business engaged in the sale, distribution, manufacture, or storage of beer without a permit issued by the county or city where that business is located. Permits will be issued to the owner of the business, whether a person, firm, corporation, joint-stock company, syndicate, or association. A permit is valid:

- + Only for the owner to whom the permit is issued. A permit cannot be transferred to another owner. If the owner is a corporation, a change in ownership will occur when control of at least fifty percent of the stock of the corporation is transferred to a new owner.
- + Only for a single location, except where an owner operates two or more restaurants or other businesses within the same building. That owner may, in the owner's discretion, operate some or all these businesses under the same permit. The permit cannot be transferred to another location. A permit is valid for all decks, patios and other outdoor serving areas that are contiguous to the exterior of the building in which the business is located and that are operated by the business.
- + Only for a business operating under the name identified in the permit application.

A business can sell beer for both on-premises and off-premises consumption at the same location under one permit.

A permit holder must return a permit to the county or city that issued it within fifteen days of termination of the business, change in ownership, relocation of the business, or change of the name of the business. Notwithstanding the failure to return a beer permit, a permit shall expire on termination of the business, change in ownership, relocation of the business, or change of the name of the business. Any person, firm, corporation, joint-stock company, syndicate, or association engaged in the sale, distribution, or manufacture of beer without the permit required by this part commits a Class A misdemeanor.

In the case of beer wholesalers, no county or city shall require a permit from a wholesaler unless that wholesaler operates a warehouse in that particular county or city.

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

### Classification of Counties

For the purpose of licensing, regulating, and controlling the transportation, storage, sale, distribution, possession, receipt, and/or manufacture of beer, the counties of the state shall be classified in two categories:

- + Class A counties: those counties not governed by metropolitan governments.
- + Class B counties: those counties governed by metropolitan governments.

The use of the words "county" or "counties" means counties generally without reference to the classification of counties and will indicate that provisions limited by the word "county" or "counties" apply equally to Class A and Class B counties. When "county legislative body" or "county legislative bodies" is used, it means "metropolitan council" or "metropolitan councils" when applicable to Class B counties.

### Resale Certificate

It is unlawful for any person to sell, distribute or manufacture beer without having a valid certificate indicating that purchases of beer by that person are "for resale" as that term is used in § 67-6-102(24)(A).

Within ten days after being issued a permit to sell, distribute, or manufacture beer, a person will file, with the county or city issuing the permit and with each person from whom the person buys beer, a copy of a valid certificate indicating that the purchases of beer are "for resale" and will subsequently maintain, at all times, a valid resale certificate on file with the county or city issuing the permit and with each person from whom the person buys beer.

### Application for Permit (§ 57-5-104)

Before being permitted to store, sell, distribute, and/or manufacture beer, every person will pay any license fee, and comply with any regulations and ordinances as may be passed by the county courts of the counties and/or enacted by the proper municipal authorities of the cities or towns where that person may do business.

Each applicant for a permit will be required to pay an application fee of \$250 to the county or city in which the applicant's place of business is located. No

portion of the fee will be refunded to the applicant regardless whether an application is approved or denied. (§57-5-104(a))

### Annual Privilege Tax

A privilege tax of \$100 is also imposed on the business of selling, distributing, storing, or manufacturing beer in this state. Any entity engaged in selling, distributing, storing, or manufacturing beer will remit the tax on January 1 to the county or city in which that business is located. The tax will be remitted to the county clerk for businesses located in the county outside the incorporated limits of any city or town, and to the official identified by the city or town for businesses located within the incorporated limits of the city or town. (§ 57-5-104(b)(1))

### Notice to Permit Holders

Counties and cities will mail a written notice to each permit holder of the payment date of the annual tax at least thirty days prior to January 1. Notice shall be mailed to the address specified by the permit holder on the permit application. If a permit holder does not pay the tax by January 31 or within thirty days after written notice of the tax was mailed, whichever is later, then the county or city shall notify the permit holder by certified mail that the tax payment is past due. If a permit holder does not pay the tax within ten days after receiving notice of its delinquency by certified mail, then the county or city may suspend or revoke the permit or impose a civil penalty pursuant to § 57-5-108. (§ 57-5-104(b)(3))

At the time a new permit is issued to any business subject to this tax, the permit holder is required to pay the privilege tax on a prorated basis for each month or portion of a month remaining until the next tax payment date. (§ 57-5-104(b)(5))

### Licenses to Sell Outside of Town or City Limits (§ 57-5-105)

Any person that desires to manufacture, distribute, sell, or store beer in any county, outside the limits of any incorporated city or town, will file an application for a permit with the county legislative body, or any committee formed for that purpose by the county legislative body, in the county that would be affected by these activities. Any person desiring to make such application should contact the legislative body of that county for specific requirements.

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

Any governing body that is authorized by statute to issue the appropriate license to sell, distribute, manufacture, or store beer also is the authority for revoking or suspending that license. The power to suspend or revoke licenses and impose civil penalties is also conferred upon the Commissioner of Revenue as it may relate to certificates of registration or transportation permits issued by the Commissioner or to reports and returns required to be filed with, or taxes owed to, the Department of Revenue, or for the receipt, possession, storage, or transportation of beer in violation of Title 57, Chapter 5. (§ 57-5-108(1))

### **Bonds – Warehousemen, Dealers, and Manufacturers (§ 57-5-110)**

All persons, corporations, joint-stock companies, syndicates, firms, or associations storing, selling, distributing, and/or manufacturing beer in this state will execute a bond securing the payment of the taxes levied as the state privilege tax. The bond is to be payable to the Commissioner of Revenue and is to be signed by some solvent surety company residing in or having an office and agent in the state of Tennessee. The Commissioner also must approve the bond.

An initial bond of twenty thousand dollars will be posted to secure the proper payment of all taxes for which the taxpayer may become liable during the taxpayer's initial license period of twelve months. After monthly reports which cover the initial three full months of the taxpayer's operation have been received by the Department, the bond amount may, upon written request of the taxpayer, be adjusted to an amount equal to no less than twice the amount of the tax required to be paid by such person per month, determined by averaging the tax liability over the three months immediately preceding the adjustment. If, at any time after the initial three months operation, the Commissioner shall determine the average monthly tax liability of a taxpayer to be greater than twenty thousand dollars, the taxpayer shall be required to immediately file a rider to the taxpayer's bond to increase the amount of the bond to two times the taxpayer's average monthly tax liability as determined by the Commissioner.

In lieu of a corporate surety, the Commissioner may allow the applicant to secure the bond by depositing collateral in the form of a certificate of deposit, as accepted and authorized by the banking laws of the state of Tennessee, which has a face value equal to the amount of the bond. This collateral may be deposited with any authorized state depository designated by the Commissioner.

If a taxpayer has been in continuous operation for three consecutive years and, during the preceding six months, has paid the special privilege tax for which the taxpayer is liable within the time period for payment set by the statute or rule, then the taxpayer will not be required to execute and maintain any bond required by this section. Any taxpayer, exempt from the bonding requirement, who fails to pay the special privilege tax within the time period for payment set by statute or rule will, upon that failure, be again required to execute and maintain a bond as required.

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

### BARRELS TAX

#### Liability for the Tax (§ 57-5-201)

Every person in this state manufacturing, storing, selling, or distributing beer or other beverages of not more than five percent alcoholic content by weight, will pay a special privilege tax, in addition to all other taxes, in an amount equal to \$4.29 per barrel (of thirty-one liquid gallons) stored, sold, distributed by gift or sale, or manufactured in Tennessee. The tax upon barrels containing more or less than thirty-one gallons shall be at a proportionate rate.

The tax is a state tax; no county, municipality, or taxing district shall have power to levy any like tax.

#### Purchase of Beverages (§ 57-5-201)

No retail dealer of beverages containing not more than five percent alcohol by weight will purchase these beverages from anyone other than a licensed wholesaler located in Tennessee. No wholesale distributor of beverages containing not more than five percent alcohol by weight shall purchase such beverages from anyone other than a licensed manufacturer, importer, or other Tennessee wholesaler. Anyone importing, or causing to be imported, any alcoholic beverage as defined herein will be liable as other wholesale distributors or dealers. Anything to the contrary notwithstanding, a retail dealer of beverages containing not more than five percent alcohol by weight may purchase such beverages directly from a licensed manufacturer located in Tennessee if the sale of such beverages by the manufacturer directly to the retailers is authorized by law, pursuant to § 57-5-101.

An exception, provided under § 57-5-101(c)(1)(A), provides that a manufacturer may operate as a retailer at the manufacturer's location, or a site contiguous thereto, for sales of not more than five thousand barrels of beer annually for consumption on or off the premises as long as the requirements of § 57-5 concerning the licensing of such retail establishments are met. Sales by a manufacturer of its beer at a separate (noncontiguous) location are not authorized by this exception. The Attorney General has upheld such a determination in Opinion No. 00-087 issued May 5, 2000.

#### Enforcement of the Tax (§ 57-5-202)

The Commissioner of Revenue will supervise and collect the tax. No employee of the Commissioner will, while employed, be interested, directly or indirectly, in the vending, storing, distributing, and/or manufacturing of beer and/or any other beverage under the penalty of dismissal from office and of \$500 fine, to be recovered by indictment or presentment.

Members of the state highway patrol and all sheriffs, deputy sheriffs, and police officers of the state and its political subdivisions are responsible for the enforcement of the police and penal provisions of the state laws applicable to beer. Such officers, along with inspectors, agents, representatives, or officers appointed by the Commissioner, are charged with the enforcement of the revenue provisions of this section. Duly authorized representatives of the Department, in the discretion of the Commissioner, are authorized and empowered to make arrests for violation of the revenue provisions of this chapter while on active duty engaged in enforcing the revenue provisions.

#### Exempt Sales (§ 57-5-201(a)(1))

Beer or other such beverages, manufactured in Tennessee and thereafter exported for sale, distribution, or gift, or dispensed gratuitously and consumed on the premises, are not included in the measure of the barrels tax liability. The Commissioner of Revenue is authorized to promulgate rules and regulations to secure this exemption and to prevent the exemption from being claimed in the case of beer sold, distributed, or given away in Tennessee. The burden shall be on the manufacturer claiming exemption to establish to the satisfaction of the collection officers that the beverage manufactured in Tennessee is exempt.

#### Credit for Military Sales (§ 57-5-208)

The tax on beer and ale is not applicable to beer and ale sold for consumption within the geographical boundaries of a fort, base, camp, or post of the armed forces of the United States, post exchanges, ship service stores, commissaries, and messes operated by the United States armed forces. The Department of Revenue will allow wholesalers and breweries, duly licensed in Tennessee, credit for taxes paid on beer or ale sold to post exchanges, ship service stores, commissaries, and messes operated and controlled by



## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

the United States armed forces, and which are instrumentalities of the government of the United States.

This credit shall be allowed only upon application made to the Department by the wholesaler or brewery delivering beer or ale and upon a showing, by copy of the invoice with the signature of the officer in charge of the military facility, of certification that the beer or ale was sold to and delivered to the facility by the Tennessee wholesaler or brewery. In addition, the application will be supported by such other evidence as the Commissioner may require by regulation.

### **Payment of the Tax (§57-5-203)**

The tax will be paid to the Department of Revenue on or before the twentieth day of the month following the month in which it accrues.  
(See Appendix N.)

### **Delinquent Payment of the Tax**

When any person is delinquent in the payment of the barrels tax, the Commissioner will send, by registered mail with return receipt requested, written notice and demand for payment of the delinquent tax, indicating the amount due and unpaid, to the surety or sureties on the bond at the last known address. If the delinquent tax and all interest and penalties legally due are not paid within ten days after the mailing of such notice, the Commissioner will cancel the certificate of the taxpayer and proceed against the delinquent taxpayer under §§ 29-3-112 and 29-3-113. The Commissioner is authorized and empowered, and it is the Commissioner's duty, to issue a distress warrant for the collection of all delinquent state privilege taxes due under this chapter, with interest and penalty in the sum of ten percent.

### **Records (§ 57-5-206)**

Every person in this state engaged in the storage, sale, distribution by sale or gift, and/or manufacture in this state of beer and/or other beverage with no more than five percent alcoholic content will keep invoices and all other business records. The Commissioner or authorized agents, representatives, or employees will be allowed to inspect all articles, containers, packages, invoices, books, papers, and memoranda as may be deemed necessary by the inspecting individual, to ascertain whether or not the barrels tax has been paid or to determine the amount of tax that is due. These items will be available for inspection at any time during business hours.

The original bill of sale or invoice, or a microfiche copy, will be kept by the wholesaler for at least two years, and the duplicate bill of sale or invoice shall be retained by the retailer for at least two years, subject to inspection by the Department or the county, municipal, or metropolitan government involved.

The Commissioner may require any person engaged in the storage, sale, distribution by sale or gift, and/or manufacture, in this state, of beer and/or any other such beverages to furnish any reports, statements, or information, under oath, which may be deemed in the opinion of the Commissioner, necessary for the purpose of enforcing a compliance with the tax requirement.

The Commissioner is authorized and required to make rules and regulations necessary, in the Commissioner's opinion, to carry out the provisions of the statute. These rules and regulations will have the force and effect of law if not in conflict with express statutory provision.

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

### WHOLESALE BEER TAX

#### The Levy of the Tax (§ 57-6-103)

The Wholesale Beer Tax Act imposes a tax of seventeen percent of the wholesale price on wholesale sales of beer. Under this act, "beer" means beer, ale, other malt beverages, or any other beverages having an alcoholic content of not more than five percent by weight, except wine as defined in TCA § 57-3-101.

"Wholesale" or "wholesale sale" means a sale, gift, or other transfer and delivery of beer by a wholesaler to any person other than another wholesaler, but does not include any gratuitous dispensing by a brewery of its own manufactured beer which is consumed on the premises. "Wholesaler" means a person who sells beer to retailers and includes a distributor, brewery, or brewery branch making sales directly to retailers. (§ 57-3-102)

#### Exemption for Military Sales (§ 57-6-111)

The wholesale beer tax will not be applicable to any beer and/or ale sold to any post exchange, ship service store, commissary, open mess, officers' club, N.C.O. club, or other organization recognized by and located on any fort, base, camp, or post of the armed forces of the United States. Wholesalers and brewers duly licensed in Tennessee will be allowed to deduct the sales of all beer and/or ale sold at any fort, base, camp, or post of the armed forces of the United States from those sales listed on the required monthly reports. A copy of a receipt duly signed by the officer in charge of such clubs, certifying that the beer or ale was sold and delivered to such clubs at a fort, base, camp, or post, must be attached to the monthly report.

#### Adjustments

##### Damaged Containers

No wholesaler will make any reduction or adjustment for loss due to shortages or damaged or broken containers, except for actual loss from the time the beer leaves the brewery until it is delivered to the retailer. These reductions or adjustments shall not exceed one half of one percent of the total monthly purchases of each wholesaler, except in cases of fire,

storms, acts of God, or unavoidable accidents. At least two witnesses or persons familiar with the facts must provide sworn statements substantiating any claims in excess of one half of one percent. The Department of Revenue may disapprove any and all claims for such credits. (§ 57-6-109(a))

If the damage or unsalable condition occurred prior to arrival at the wholesaler's warehouse but was not discovered until after the beverage was stored, or if the damaged beer or ale had to be temporarily stored by the wholesaler as a matter of expediency before destroying it or retuning it to the brewery, the deduction is still available. (Rule 1320-4-1-.03(1))

Beer damaged between shipment from the manufacturer and delivery to the wholesaler becomes the possession of the common carrier transporting the beer or the insurance company insuring the beer. The common carrier or insurance company will become liable for the wholesale beer tax, unless proof deemed satisfactory to the Commissioner of Revenue is furnished by the carrier or insurer showing that the beer has been destroyed or shipped to a point outside the state, rather than having been sold or consumed in this state. (§ 57-6-115)

All beer shall be inspected and accepted by the retailer or a representative at the time of delivery. The wholesaler will not make adjustment or refund for damage, breakage, or shortage after the time of delivery to the retailer. However, a wholesaler may determine that beer sold to a retailer does not conform to quality control standards. Upon making that determination, the wholesaler may provide the retailer with replacement beer in exchange for the beer that no longer conforms to quality control standards, if the tax paid on the total amount of replacement beer is equal to the tax credit received on the beer being returned by the retailer. (§ 57-6-109(b))

##### Out-of-State Shipments

A deduction from receipts and purchases will be available to the wholesaler for all beer or ale that is shipped out-of-state in the same month in which it was purchased. This same deduction is available for all beer or ale damaged, lost, stolen, destroyed, or that becomes unsalable while in transit, either by common carrier or the wholesaler's own transport equipment, prior to being stored in the wholesaler's warehouse. (Rule 1320-4-1-.03(1))



## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

### Repurchase of Previously Sold Beverages

Under § 57-6-109(c), a wholesaler may purchase full case lots of beer previously sold to a retailer by the wholesaler, at the price at which the beer was sold to the retailer, if, upon determination by a county or municipality, it is found that:

- + A retailer has surrendered or abandoned its permit to sell beer.
- + A retailer's permit to sell beer has been revoked.
- + A retailer's permit to sell beer has been suspended for more than thirty days.
- + A retailer has in good faith discontinued business for more than thirty days.

### Gifts or Discounts (§ 57-6-110)

No wholesaler may make any gift of beer or other type of gift to, or make any deal with, a retailer or other person to reduce the wholesale price of beer below the list price as an inducement to the retailer or other person to make larger purchases. However, a manufacturer may offer, utilizing manufacturer provided coupons, a discount to the consumer to be redeemed only by the manufacturer. No retailer or wholesaler may participate, either directly or indirectly, in the redemption of such coupons.

### Payment of the Tax (§ 57-6-103)

All wholesalers will remit to each county or municipality, based on wholesale sales in the preceding calendar month, the amount of the net tax on their wholesale sales to retailers and other persons in the county or within the corporate limits of the municipality. The tax due will be remitted on or before the twentieth day of each month.  
(See Appendix O.)

All sales made by wholesalers at the wholesalers' places of business will be deemed wholesale sales; the tax will be collected on all such sales. The tax collected on any such sales made to licensed retailers shall be paid to the county or municipality in which the retailer's place of business is located. The tax on all other sales made at the wholesaler's place of business shall be paid to the county or city in which the wholesaler's place of business is located.

The wholesale price does not include the amount charged as a deposit on returnable bottles, or kegs, provided that deposit does not exceed the actual value of the bottles, cases, or kegs to be returned. The

amount of tax will be taken to the nearest whole cent per case, keg, or carton.

At the same time the tax is paid to the appropriate local government entities, the wholesaler will remit one half of one percent of the gross tax to the Department of Revenue. The wholesaler will retain three percent of the gross tax to defray the cost of collecting and remitting the tax.

### Delinquent Returns (§ 57-6-107(b))

If any wholesaler fails or refuses to remit the tax on or before the twentieth of the month when due, the Department or any county or municipality concerned may institute legal action for collection of the delinquent taxes. In addition, suspension or revocation of certificates of registration may be initiated for failure to file any required report, for filing a false or fraudulent report, or for failure to pay tax due with the intent to defraud.

### Cash Sales (§ 57-6-108)

In order to effectively collect the wholesale beer tax, all sales of beer by wholesalers to retailers or any other persons, except sales to duly licensed wholesalers and sales within military installations, will be for cash only. The intent of this provision is that wholesale sale of beer, delivery, and payment will be a simultaneous transaction; any maneuver, device, or method of extending credit is expressly prohibited.

### Wholesale Price List (§ 57-6-104)

Each wholesaler will maintain a wholesale price list and will file the list with the Department of Revenue and the tax-collecting official of each county and municipality where wholesale sales are made. Notice of any change in the price list will be delivered to the Department and the tax-collecting official of each county and municipality. Notices will be filed as follows:

- + In case of a new business or a wholesaler acquiring a new brand not previously distributed, a price list shall be filed not later than five days after either occurrence.
- + In case of any change in an existing price list previously filed, a revised price list shall be filed at least three days prior to the effective date of any change.

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

A wholesaler will not be permitted to file a wholesale price list that reduces the price of beer on quantity sales by brand, container, and category, even though the quantity wholesale price is uniform to all retailers and to all other persons. The price shall be fixed on each brand sold by container and category. It shall be the same price regardless of the quantity of beer sold of a given brand by container and category.

### Changes in Wholesale Price

A wholesaler will not sponsor or participate in any price-cutting maneuver, device, or promotion by changing the wholesale price of beer of a given brand, container, and category. (As used in this section, "category" refers to cans, returnable bottles, nonreturnable bottles, kegs and barrels, and "container" to size in ounces.) A wholesaler may permanently reduce the wholesale price of beer. However, any such wholesale price reduction, to be considered permanent, must remain in effect for at least three hundred sixty days. Otherwise it will be considered a wholesale beer price-cutting maneuver, device, or promotion, and in direct violation of the provisions of the law. (§ 57-6-104(c)) It is mandatory on the local beer board to suspend the license or permit of the wholesaler for thirty days, for violating any of the provisions of TCA § 57-6-104, within the city or county where the violation was committed. (§ 57-6-114(b))

A wholesaler has the authority to increase the wholesale price of beer. In that event, the increased wholesale price will be considered to be the posted wholesale beer price. There is no limitation on the number of increases of the wholesale price of beer allowed any wholesaler, but any increase in the wholesale price of beer will remain in effect for at least three hundred sixty days. A wholesaler may also raise the wholesale price of beer during a three hundred sixty day posting period in an amount less than or equal to any increase in the federal excise tax. Such price increase shall be filed within ten days of the date the tax increase takes effect. (§ 57-6-104(c))

A wholesaler may be permitted to change the wholesale price of beer on sales made only at the wholesaler's warehouse to retailers and other persons, regardless of the time element, as referred to in this section in cases of emergency where a wholesaler is unable to make delivery of beer to retail establishments. (§ 57-6-104(c)(4))

### Designated Sales Territories

Each beer manufacturer or importer will designate sales territories for each of its brands sold in Tennessee and will name one licensed beer wholesaler in each territory who, within that territory, will be the exclusive wholesaler for the brand or brands. Any manufacturer or importer supplying more than one brand may grant exclusive territories to different wholesalers for the sale of each brand. No wholesaler shall distribute the specified brand or brands of beer outside that wholesaler's assigned territory, or knowingly sell to a retailer whose licensed retail establishment is located outside such wholesaler's assigned territory. (§ 57-6-104(f))

Within ten days prior to the introduction of a new brand of beer in a territory, the manufacturer or importer will submit to the Commissioner, in duplicate, a sworn affidavit containing a description of the geographical boundaries of each territory for each brand of its products, the name and address of the wholesaler, and the notarized signature of the wholesaler. Territories in effect on February 1, 1973, and those territories established for new brands entering the market subsequent to that date, will constitute the exclusive sales territory for the brands and wholesalers involved. (§ 57-6-104(g))

### Change of Wholesaler

Should a manufacturer or importer desire to change wholesalers, or in any way alter the territory of a wholesaler for any brand, that manufacturer or importer must file, with the Commissioner and each wholesaler involved, not less than ninety days prior to the effective date of such change, a notarized notice of intent, in duplicate, containing:

- + A description of the geographical boundaries of the proposed territory.
- + The name and address of the wholesaler currently distributing such brand or brands in the territory.
- + The name and address of the proposed wholesaler and the notarized signature of the proposed wholesaler.
- + The name and address of all persons or firms having a financial interest in the proposed wholesale business.

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

The ninety-day waiting period will be waived if the proposed change is agreeable to all parties involved. (§ 57-6-104(g)) The designated territories of beer wholesalers are a matter of public record; a copy shall be made available upon request to the Commissioner. (§ 57-6-104(h))

### Wholesaler's Bond (§ 57-6-107)

Each wholesaler must furnish an indemnity or personal bond, satisfactory to and payable to the Department as agent of the counties and municipalities involved, in an amount equivalent to the amount of gross tax payable under this part, based on the wholesaler's highest month's sales in the preceding twelve months. A wholesaler just commencing business will estimate sales. In no event will a wholesaler be required to post a bond in excess of ten thousand dollars.

In lieu of a corporate surety on the required bond, the Commissioner may allow the wholesaler to secure the bond by depositing collateral in the form of an accepted and authorized certificate of deposit, which has a face value equal to the amount of the bond.

This collateral may be deposited with any authorized state depository designated by the Commissioner. Interest on any deposited certificate of deposit will be paid to the wholesaler who has deposited it as collateral, or to such person as the wholesaler or the certificate may direct.

Any wholesaler that has been in continuous operation for three consecutive years and, during the preceding six months, has paid all wholesale beer taxes payable on or before the twentieth of the month when due, will not be required to furnish any indemnity or personal bond. However, any wholesaler exempt from the bonding requirement, who fails to pay any tax due on or before the twentieth of the month, will then be required to furnish an indemnity or personal bond.

### Records and Reports (§ 57-6-105)

Every wholesale beer dealer doing business in Tennessee must keep accurate delivery tickets and records of each delivery of beer or other similar beverages to individual retailers and any other persons purchasing more than five gallons of beer at one time. The records must indicate:

- + The date the merchandise was delivered.
- + The name and address of the purchaser.
- + The date of the sale.
- + The quantity, size, brand, and price of each container sold.

Each retailer or recipient must sign the delivery ticket each time beer is received from a wholesaler. The wholesaler shall keep the signed original or a microfiche copy, and the retailer must retain a duplicate. Each such delivery ticket must be retained for at least two years, subject to inspection by the Department, county, or municipality.

The wholesaler must also retain records of every sale to persons purchasing less than five gallons at a time. These records will reflect the daily quantity, size, brand, and price of each container sold. These records will also be retained for two years, subject to inspection.

### Investigations (§ 57-6-106)

The Department of Revenue may, on its own initiative, but must, upon request of any county or municipality receiving this tax, make investigations to determine whether the full amount of tax imposed by this part has been paid. Any county or municipality requesting an investigation may designate an agent to participate in the investigation. Wholesalers and retailers will make their books and records with respect to beer purchases, sales, and inventories available for inspection and audit at all reasonable business hours, and will furnish any information with respect to beer purchases, sales, and inventories required by the Department. The results of any investigations will be reported to counties and municipalities concerned.

The Department, at the request of any county or municipality concerned, will provide information available in the Department with respect to the administration of this tax, including the amount of tax collected and remitted, within the county or municipality.

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

### MISCELLANEOUS FEES AND PERMITS

#### Municipal Inspection Fee

Any municipality has the authority to pass an ordinance imposing an inspection fee on all licensed retailers of alcoholic beverages located within that municipality. This fee cannot exceed eight percent of the wholesale price of beverages supplied by a wholesaler in municipalities located in Tennessee counties with a population of less than sixty thousand according to any federal census from 1960 and later. The fee cannot exceed five percent in counties having a population of more than sixty thousand as determined by the same measure. (§ 57-3-501)

The wholesaler will collect the inspection fee from the retailer once the municipality notifies the wholesaler that an inspection fee has been imposed. The fee can be collected at the time of the sale or when the retailer makes payment for the delivery of the alcoholic beverages. (§ 57-3-502)

The wholesaler will make a monthly report to the municipal government. This report will contain a list of the alcoholic beverages sold to any retailer, the wholesale price of the beverages sold, the amount of tax due, and any other information that the municipality may require. The report will be made not later than the twentieth of the month following the month the sales were made. Failure to make a timely report or remittance will result in a ten percent penalty. (§ 57-3-503)

#### Non-Resident Seller's Permit (§ 57-3-602)

A non-resident seller's permit is required for any manufacturer, distillery, winery, importer, broker, or person located outside Tennessee that sells or distributes alcoholic beverages to any wholesaler licensed in Tennessee under § 57-3-203. It is not material to the requirement for the permit whether the sales are consummated inside or outside of this state.

The non-resident seller's permit can be obtained by making application to the Alcoholic Beverage Commission. Once granted a permit, the permit holder will be subject to the requirements and conditions imposed by the commission.

#### Inspections of Permit Holders (§ 57-3-609)

If a representative of the Alcoholic Beverage Commission or the Department of Revenue wishes to examine the books, accounts, records, minutes, letters, memoranda, documents, checks, telegrams, constitution and bylaws, or other records of a nonresident seller's permit holder, that representative shall make a written request to the permit holder or a duly authorized manager or representative. If the permit holder is a corporation, the request will be made to any officer of the corporation. When a request for an examination is made, the person to whom it is directed shall immediately allow the representative to conduct the examination.

The representative may investigate the organization, conduct, and management of any nonresident seller's permit holder and may make copies of any records which, in the judgment of the representative, may show or tend to show that the permit holder has violated state law, regulation, or the terms of the permit. A representative may not make public any information obtained under this section except to a law enforcement officer of this state or in connection with an administrative or judicial proceeding in which the state or commission is a party concerning the cancellation or suspension of a nonresident seller's permit, the collection of taxes due under state law, or the violation of state law.

The commission may revoke or suspend a nonresident seller's permit, in accordance with this section, if a permit holder or authorized representative fails or refuses to permit an examination authorized by this section, or to permit the making of copies of any documents as provided by this section, without regard to whether the document is inside or outside the state, or if the permit holder or authorized representative fails or refuses to answer a question of an officer incident to an examination or investigation in progress.

#### Employee and Server Permits (§ 57-3-701)

The Alcoholic Beverage Commission is authorized to issue employee and server permits to the following groups of persons:

- + Each representative or salesperson of any wholesale licensee in Tennessee that engages in soliciting orders from retail licensees. (§ 57-3-203(d))

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

- + Each employee of a wholesale licensee that dispenses alcoholic beverages in the wholesaler's place of business. (§ 57-3-203(e))
- + Each employee of a retail licensee that dispenses alcoholic beverages in the retailer's place of business. (§ 57-3-204(c))
- + Every person engaged in selling alcoholic beverages, wines, or beer for consumption on the premises will possess a server permit. (§ 57-4-203(h))

There are specifically defined requirements that must be met for issuance of each of these permits, along with applicable fees and application procedures. Any person needing one of these permits should contact the Alcoholic Beverage Commission for more information.

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

### TRANSPORTATION OF BEER AND LIGHT ALCOHOLIC BEVERAGES

Any person engaged in transporting beer or other light alcoholic beverages from outside Tennessee to any point within Tennessee will have, in that person's possession during the entire time the person is engaged in transporting those beverages in this state, an invoice, bill of sale, or bill of lading showing the name and address of the consignor, the name and address of the licensed brewery, wholesaler, or distributor to whom the beverages are to be delivered, and the quantity of those beverages. A common carrier maintaining a permanent office within this state, where complete records of all beer or other light alcoholic beverages transported from without this state are kept and are open to inspection by the Commissioner or any duly authorized agent at all reasonable times, will not be required to have these documents in the carrier's personal possession. (§ 57-5-401)

#### Liability for Tax on Goods Damaged in Transit

If any common carrier transporting beer or other beverage of alcoholic content of not more than five percent by weight to a point within this state, or any insurance company insuring such products, comes into possession of those products because the products are damaged or otherwise unaccepted by the consignee, that common carrier or insurance company will become liable for the tax imposed under § 57-5-201. That liability will be relieved if proof, deemed satisfactory to the Commissioner, is furnished to the Commissioner by the carrier or insurance company showing that the products have been destroyed or shipped to a point outside this state and, therefore, have not been sold or consumed in this state. The imposition of liability for the tax under the circumstances as stated will not be construed as authorizing the subsequent sale of those products in this state by either common carriers or insurance companies unless otherwise licensed to do so.

#### Change of Consignee or Delivery Destination

It is not legal for any person to transport, or attempt to have transported, any beer or other light alcoholic beverages to a person or destination other than as designated on the shipment, or to any person not licensed to receive that type of beverages under the law or any rule or regulation of the Commissioner. It

is also illegal to deliver these beverages to any person or destination other than as designated in the bill of lading or transportation contract, or to agree to transport or deliver any shipment of such beverages when it is known that the shipment is not intended for a person permitted to receive these beverages under the provisions of the law or any rule or regulation of the Commissioner. (§ 57-5-402)

#### Transportation Without Payment of Tax

No person may transport, from any point within this state to another point within this state, any beer and/or other such beverages on which the tax imposed in § 57-5-201 has not been paid, except for immediate delivery to a licensed brewery, wholesaler, or distributor in this state. Any person engaged in transporting these untaxed beverages will have in possession during the entire time engaged in transporting such beverages, an invoice, bill of sale, or bill of lading showing the name and address of the consignor, the name and address of the licensed brewery, wholesaler, or distributor to whom such beverages are to be delivered, and the quantity of each beverage by character and contents of the containers. If such person fails to produce an invoice, bill of sale, or recorded evidence, or, if when produced it fails to comply and accurately disclose the required information, the failure shall be prima facie evidence of the violation of TCA Title 57, Chapter 5. (§ 57-5-404)

Every person, other than a common carrier or a licensed brewery, wholesaler, or distributor engaged in making regular deliveries of beer or other such beverages to their customers, who possesses or transports five gallons or more of any such beverages within Tennessee, will have, during the entire time in possession of or transporting these beverages within this state, an invoice, bill of sale, or bill of lading showing the date of purchase or shipment, the name and exact address of the seller or consignor, and the name and exact address of the purchaser or consignee. The burden of proof shall be upon the person possessing or transporting such beverages to establish to the satisfaction of the collection officers that the invoice, bill of sale, or bill of lading offered as evidence that the tax thereon has been paid does, in fact, relate to the identical beverages in possession or transport. (§ 57-5-405)

Any property confiscated as contraband solely for failure to have the documents required by this section may be returned upon order of the Commissioner,



## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

without the necessity of a hearing, upon a showing satisfactory to the Department of Revenue that taxes imposed by the state of Tennessee upon such items have been paid.

These provisions will not be construed as being applicable to interstate shipments through the state of Tennessee where such shipments are accompanied and supported by proper invoices or bills of lading containing such information as the Commissioner may require. (§ 57-5-407)

### **Contraband (§ 57-5-409)**

Any beer or other beverage of alcoholic content of not more than five percent by weight that is sold, offered for sale by, or in possession of, a retailer and that was purchased from anyone except a Tennessee wholesaler or distributor licensed in this state, is declared to be contraband.

Any beer or other beverages imported into this state, in transit within this state, or in possession of a person or firm within this state not in accordance with any of the requirements of TCA Title 57 Chapter 5, or rules and regulations promulgated under it, are declared to be contraband, along with any vehicle in which it is being transported which is not a common carrier.

Contraband beverages and vehicles are subject to confiscation by the Commissioner or any duly authorized representative, highway patrol officer, sheriff, or other peace officer. Any beer or other beverages or vehicles seized will be delivered promptly to the Department for disposition.

Any beer seized may, in the discretion of the Commissioner, be deposited with a duly licensed Tennessee wholesaler or distributor, located nearest to the site of the seizure, engaged in handling the particular brand of beer involved. The wholesaler or distributor will issue a receipt to the Commissioner to document the deposit. The receipt will state the quantity and brand name of beer deposited. The wholesaler or distributor issuing the receipt may later exchange salable beer of the same quantity and brand name for the receipt with any person or persons who may be entitled thereto or to the proceeds of the sale of the beverage, in accordance with the provisions of this chapter. These receipts will be admissible as evidence in any administrative hearing or any civil or criminal court hearing or trial. (§ 57-5-409(c))

If, incidental to the confiscation of contraband beer, any intoxicating liquor deemed to be held or transported illegally under law is discovered, the confiscating officer is required to seize that liquor. Any intoxicating liquor seized will be delivered promptly to the Alcoholic Beverage Commission for sale or disposition as contraband.

### **Notification of Seizure (§ 57-5-410)**

As soon as feasible after confiscation, written notice will be given, by the Department of Revenue, to the person from whom the confiscation was made. Notice will also be made to all others with a legal interest in the property confiscated who are either made known to the Department or who, by reasonable examination of public records of titles and liens, should have been discovered. This notice may be made by personal delivery or by mail, either of which may be made to the last known address of the interested party. This notice will state:

- + A description of the confiscated property.
- + The reason for confiscation.
- + The method for seeking recovery.
- + The time limit for seeking recovery.
- + The result of failure to seek or obtain recovery by the designated method.

### **Claims Procedure**

Any person claiming any property seized as contraband goods may, within ten days of such notice, and after executing a bond for costs with one or more good and solvent sureties in the sum of \$250, made payable to the state of Tennessee, or upon executing a pauper's oath as provided by law, file a claim, in writing, with the Commissioner at Nashville, requesting a hearing and stating any interest in the seized property. The Commissioner will set a date for hearing within ten days from the date the claim is posted or received.

In any hearing convened upon proper petition of an interested party, the initial burden shall be upon the state to show by a preponderance of the evidence that the property in question was of such nature or was used in such manner as to be declared as contraband. Upon meeting this burden, the property shall be forfeited as provided by law, unless the claimant can prove that the claimant is nevertheless qualified under this chapter, or otherwise, to recover the property in question.

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

When a claim is filed for any seized vehicle, aircraft, or boat, the Commissioner will not allow the claim unless or until the claimant proves that:

- + The claimant has an interest in the vehicle, aircraft, or boat, as owner or otherwise, which was acquired in good faith.
- + The claimant had, at no time, any knowledge or reason to believe that it was being, or would be, used in the violation of laws of the United States or of the State of Tennessee relating to beer or any other beverage of alcoholic content of not more than five percent by weight.

If it appears that the interest asserted by the claimant arises out of, or is in any way subject to, a contract or agreement with a person with a record or reputation for violating laws of the United States or any state relating to beer or any other beverage of alcoholic content of not more than five percent by weight, then it must be proven that the claimant, having made inquiries into the character of the other person before entering onto the contract or agreement, was not aware of any adverse information. This inquiry must have been made at the headquarters of the sheriff, chief of police, principal federal internal revenue officer engaged in the enforcement of the beer laws, or other principal local or federal law enforcement officer of the locality in which such other person acquired his right under such contract or agreement and/or the locality in which such other person then resided. In each locality in which the claimant made any inquiry as to the character or financial standing of such other person, the other person must have had no such record or reputation.

However, in the case of a first offense of violating the provisions of this chapter, and after the hearing provided for herein, these provisions may, in the discretion of the Commissioner, be waived and the claim of the owner or lien holder may be honored.

### **Designation of Hearing Officer**

The Commissioner may designate a hearing officer from the Department to conduct the hearings provided for in this section. The hearing officer will make findings of fact, conclusions of law, and proposed orders based thereon. If the Commissioner concurs, the Commissioner will issue the order, or, upon review of the record, make such findings, conclusions, and issue such orders as, in the Commissioner's discretion, the record justifies.

### **Release of Goods to Claimant**

Pending any proceeding to recover beer, other beverages of alcoholic content of not more than five percent by weight, and/or any vehicle seized as contraband under the provisions of Chapter 57, or pending any appeal of the action taken by the Commissioner as a result of any such proceeding, the Commissioner may order delivery to any claimant who establishes a right to immediate possession and who executes, with one or more sureties approved by the Commissioner, and delivers to the Commissioner, a bond in favor of the State of Tennessee for the payment of a sum double the appraised value of the goods as of the time of the seizure.

The condition of the bond shall be that the obligors shall pay to the state, through the Department, the full value of the goods or property when seized unless, upon a final determination by the Commissioner or the courts, the property shall be awarded to the claimant. The Commissioner will determine the full value of the goods or property seized, and such determination will be presumed to be correct in the absence of any proof to the contrary being submitted by the claimant.

### **Commissioner's Ruling**

If the ruling of the Commissioner is favorable to the claimant, the Commissioner shall deliver the seized property to the claimant. If the ruling is adverse to the claimant, or if a hearing is not applied for in writing within the ten days following notice, and the Commissioner determines the products to be salable, the Commissioner is authorized to order sale of the property in the manner provided by law, applying the proceeds from the sale first to the costs incurred in the seizure and sale of such articles and the balance, if any, to the state general fund.

In the case of any contraband property, seized by any law enforcement officer of any incorporated municipality or county and turned over by them to the Department for confiscation, fifty percent of the net proceeds of the sale will be paid to the municipality or to the county served by that officer.

Any beer, other beverages, or vehicles seized and ordered sold by the Commissioner will be sold at public sale by the Department of General Services, the procedure to be followed being now authorized by law under § 67-4-1021. It is the responsibility of



## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

the Commissioner to notify a Tennessee distributor handling the same brand(s) of beer and/or other such beverages as that to be sold in the impending sale. All confiscated beer, suitable for sale at retail, will first be offered for sale to the Tennessee wholesaler, located nearest the site of the seizure, engaged in handling the particular brand of beer involved at the same per case price (state beer barrelage tax included) that the wholesaler would be required to pay for such beer at the brewery. All confiscated beer, "suitable for sale at retail", not purchased within ten days by the Tennessee wholesaler, after being notified that such beer had been confiscated and was being offered for sale to such wholesaler, will then be sold at public sale by the Department of General Services. The seventeen percent Wholesale Beer Tax, as authorized in § 57-6-103, will be added to the public sale price; the funds derived shall be remitted to the city in which the public sale is held. The Commissioner determines "suitable for sale at retail".

The Commissioner, before delivering any seized property to the successful bidder, will require any tax due on the property to be paid to the Department of Revenue. Any seized beer or other beverages not sold within ninety days following hearing, or declared to be unsalable by the Commissioner, will be destroyed by the Commissioner in a manner which the Commissioner prescribes.

### Hearing Costs and Fees (§ 57-5-412)

The costs incurred in each hearing, including witness fees, mileage expenses, and all fees of sheriffs for serving any notices or subpoenas, will be taxed as costs by the Commissioner or the Commissioner's authorized representative. All costs and fees for witnesses and/or sheriffs will be advanced or collected as provided in the case of witnesses attending upon cases in courts of record, and the service of subpoenas requiring their attendance and testimony.

If, upon the hearing, the claimant shall be found by the Commissioner, or the authorized representative, to be guilty of the matters charged, all of the aforementioned costs shall be taxed and charged against the claimant, but if the charge against such claimant shall be dismissed, then such costs shall be paid by the Commissioner out of the funds collected under the provisions of Title 57.

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

### GENERAL INFORMATION

#### Mailing Date for Returns

If the due date for a return falls on Saturday, Sunday, or a holiday, the due date is automatically extended until the next business day. Returns mailed through the United States mail will be considered filed and received on the date shown by the post office cancellation mark on the envelope. If the cancellation mark is not legible or is missing, then the return will be considered filed on the date the envelope is stamped as "Received" by the Department of Revenue unless the sender can verify the actual mailing date by competent evidence. (§ 67-1-107)

#### Penalties and Penalty Waivers

A penalty is imposed for the late filing of a tax return and for late payment of taxes owed the state. The penalty is computed at a rate of 5% per month, or any portion of a month, from the due date until the date the taxes are paid. The maximum penalty is 25% of the tax amount due; the minimum penalty is \$15.00. (§ 67-1-804)

When a taxpayer fails to submit a timely return and penalties and/or interest are applied, the penalties and interest become a part of the tax due. (§ 67-1-803)

#### Interest

Interest is imposed on any taxes not paid by the date required by law even though a filing date extension has been granted. The Department of Revenue has no discretion to refund or waive any interest charges. The interest rate on any deficient tax payment is established each July 1st. (§ 67-1-803)

#### Audits and Assessments

All tax returns filed with the Department of Revenue undergo some type of office audit or examination to ensure that the correct tax has been paid. This audit could be a computer math audit, a manual examination by a trained auditor, or both. The taxpayer will be contacted if additional information is needed to complete the audit. The taxpayer will receive written notification if any adjustments are made to the return.

Any taxpayer selected for a field audit will be contacted by the Department of Revenue to set up a convenient time for the audit. The taxpayer will receive advance notification as to which records will be needed for the audit. A field audit generally involves tax returns filed for the previous three years. At the completion of the audit, the auditor will leave the taxpayer a written report for review. Once the auditor has made any necessary changes to the report, the notice of assessment for any underpaid taxes will be issued. (§ 67-1-1301)

#### Right to a Conference (§ 67-1-1801)

Taxpayers are entitled to an informal conference to discuss an assessment. If this request is made in writing within thirty days from the date of the Notice of Assessment, the conference must be granted. If it is made beyond the thirty days, the conference may be granted within the discretion of the Commissioner.

Taxpayers who wish to contest an assessment without making payment have 90 days to file suit in chancery court, as provided by statute. Interest will continue to accrue at the prevailing rate until payment is received. A lien may be filed against the taxpayer's property during this 90-day period, but the Department generally may not levy on the taxpayer's property to satisfy the assessment.

If the taxpayer timely requests an informal conference, the 90-day period for filing suit stops running until a conference decision is issued in writing. After the decision is issued, the 90-day period recommences. The 90-day stay for most collection activity is likewise extended. The taxpayer is not required to request an informal conference before contesting an assessment in court.

If the taxpayer does not timely file suit to contest the assessment, the taxpayer may pay the assessment, request a refund, and then file suit in chancery court for a refund in accordance with the procedures set forth in TCA § 67-1-1802, if the request is denied or deemed denied by operation of law.

## TENNESSEE TAXES ON ALCOHOLIC BEVERAGES AND BEER

---

### THE TAXPAYER BILL OF RIGHTS

The Commissioner of the Department of Revenue is charged, by the Tennessee General Assembly, with creating the “Tennessee Taxpayer Bill of Rights”. This Bill of Rights must keep taxpayers informed of their rights under the law and guarantee that the Tennessee taxpayer is treated with fairness, courtesy, and common sense.

The Taxpayer Bill of Rights assures taxpayers the right to:

- ✓ Fair and courteous treatment from all employees of the Department of Revenue.
- ✓ Tax forms and information written in plain language.
- ✓ Prompt and accurate responses to all inquiries and requests for tax assistance.
- ✓ Request public records not confidential or otherwise protected by law, and to review such records at an appropriate time and location.
- ✓ Assurance that all tax information relating to their accounts, including financial information, will be kept confidential.
- ✓ Tax notices that clearly explain the amount being billed.
- ✓ Clear rules and procedures to resolve tax problems.
- ✓ An informal hearing, as provided by law, with the Commissioner or the Commissioner’s representative to dispute any tax assessment, provided that a timely request is made to the Department. Taxpayers have the right to be represented by an attorney, certified public accountant, or any other representative at such a conference.
- ✓ Assurance that no employees of the Department of Revenue are paid, promoted, or rewarded in any way based on assessments or collections.
- ✓ Suggest ways the Department of Revenue may better serve the public.
- ✓ Prompt notification of any refund for taxes collected or paid in error.
- ✓ Assistance through statewide meetings, held in convenient locations by the Department of Revenue, where taxpayers are allowed to ask questions and voice suggestions.
- ✓ A notice and demand for payment ten days before the Department of Revenue makes any collection effort.
- ✓ A thirty day notice before seized assets are liquidated.

Taxpayers have all other rights afforded them under the tax laws of the State of Tennessee and the federal and state constitutions. (§ 67-1-110)

**REQUIRED DOCUMENTS TO SERVE LIQUOR OR WINE IN  
TENNESSEE LIQUOR-BY-THE-DRINK ESTABLISHMENTS**  
(From the Office of the Alcoholic Beverage Commission)

**APPLICATION FORM:** *Form #AB-0017.* This application should be notarized, filled out completely, and returned in duplicate. The application **should** be turned into the **ABC office** at least three (3) weeks in advance. Applications are reviewed every **Tuesday**. If the application is approved and you have obtained your liquor-by-the-drink bond from the Tennessee Department of Revenue, then you can receive your license the following day from the ABC.

**QUESTIONNAIRES:** *Form #AB-0009.* Owners, partners, officers, managers and/or any person who owns five percent (5%) or more in the corporation or the business, should complete these forms. All questionnaires should be filled out **completely**.

**EMPLOYEE ON PREMISE PERMIT FORMS:** *Form #AB-0001.* This form is required for all employees who serve liquor to the public. Employees must be eighteen (18) years of age to serve liquor and must obtain an employee work permit card from the **ABC office**. The cost of the permit is five dollars (\$5.00) per employee permit card and must be notarized. After receiving their temporary permit card, they have sixty (60) days to take a server-training class to receive their permanent card, which is good for three (3) years from the temporary date. This fee can only be paid by company check, cashier's check, or money order. **No personal checks are accepted.**

**PRICE SCHEDULE OF DRINKS:** *Form #RV-0775.* This form should be completed and returned in duplicate to the **ABC office**. Information and questions pertaining to this form should be forwarded to the telephone number of 615/360-0380.

**PROOF OF POSSESSION:** A lease, deed, bill of sale, or other type of document which shows that the applicant is actually leasing or is in possession of the property should be furnished to the **ABC office**.

**CHARTER FROM THE STATE OF TENNESSEE:** (This document is required only if the applicant is a corporation, a limited liability company (LLC) or a formal partnership.) A copy of your Tennessee charter must be furnished to the **ABC office**. If you hold an out-of-state charter, approval to do business in the State of Tennessee must be obtained from the Tennessee Secretary of State's Office, 6<sup>th</sup> Floor, William Snodgrass Building, 7<sup>th</sup> Avenue North between Charlotte Avenue and Union Avenue, Nashville, Tennessee, telephone # 615/741-2286. If a corporation is registered out-of-state, then a copy of that charter is also to be furnished.

**LIST OF OFFICERS AND OWNERS OF CORPORATION:** A separate list of officers (with their titles) and owners with five percent (5%) or more of ownership, and the amount of percentage, needs to be furnished with the application.

**CERTIFICATE OF OCCUPANCY APPROVAL:** If establishment is located in Davidson County, you may obtain the Certificate of Occupancy approval letter from the Metropolitan Codes Department, Metro Howard School Office Building, telephone number 615/862-6550. If the establishment is not located in Davidson County, you may contact the local Codes Department in that city or county where the establishment is located.

**MENU:** The menu must be properly printed – not handwritten.

**SALES TAX NUMBER:** The Tennessee sales tax number can be obtained from the Tennessee Department of Revenue, Room 300, Andrew Jackson Office Building, Nashville, telephone number 615/243-0600 or 1-800-342-1003.

**ABC INSPECTION:** An inspection will be made **only** when an application has been turned in to the **ABC office** and the establishment is completely ready to open for business.

**BOND FORMS:** The bond form should be obtained from the Tennessee Department of Revenue, only after both copies of the application (*Form # AB-0017*) have been turned in to the ABC office. Once the application has been turned in to the **ABC office**, then a copy of the application should be given to Ms. Cassandra Scott, Tennessee Department of Revenue, Room 300, Andrew Jackson State Office Building, Nashville Tennessee 37242, telephone # 615-741-3580 or 1-800-342-1003.

**CITY OR COUNTY LICENSE:** It is also necessary to pay the same fee to the local County Clerk's Office after you have obtained a license from the **ABC office**. The Davidson County Clerk's Office is located in the Metro Howard School Office Building, 700 Second Avenue South, Nashville, telephone # 862-6050, extension 145.

**FEDERAL FORM TO SELL LIQUOR:** *Federal Form ATF F 5630.5 (10-93).* This form should be filled out and returned to the **Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms, P. O. Box 371962, Pittsburgh, Pennsylvania 15250-7962.** The annual fee is two hundred fifty dollars (\$ 250.00).

Address:  
226 Capitol Blvd., Suite 300  
Nashville, TN 37243-0755  
615/741-1602  
170 North Main, 11th Floor  
Memphis, TN 38103  
901/543-7284  
540 McCallie Ave., Suite 341  
Chattanooga, TN 37402  
423/634-6434



1516 Coleman Rd., Suite 205  
Knoxville, TN 37909  
865/594-6342  
207 N. Boone Street, Rm. 1300  
Johnson City, TN 37604-5626  
423-434-6451

**STATE OF TENNESSEE  
ALCOHOLIC BEVERAGE COMMISSION**

**APPLICATION FOR PERMIT TO SELL  
ALCOHOLIC BEVERAGES ON PREMISE  
TITLE 57, CHAPTER 4, TENNESSEE CODE ANNOTATED**

**TO BE SUBMITTED  
IN DUPLICATE**

**ALL questions MUST be answered even if answered N/A.  
ALL signatures spaces MUST be signed and notarized.**

Date \_\_\_\_\_, 20\_\_\_\_

Name of Corp./LLC/LP, etc: \_\_\_\_\_

hereby make application for a permit to sell alcoholic beverages on premise at the following location for the year 20\_\_\_\_\_.

Doing Business As: \_\_\_\_\_

(Specify nature of establishment, whether restaurant, hotel, or private club) \_\_\_\_\_

Mailing Address) (if different from Business Address) \_\_\_\_\_

Business Address: \_\_\_\_\_ Business Telephone: (\_\_\_\_) \_\_\_\_\_

City, State: \_\_\_\_\_ County: \_\_\_\_\_ Zip Code: \_\_\_\_\_

**Each Question Must Be Fully Answered**

1. Are you and all partners (if any) American Citizens? \_\_\_\_\_

2. If a corporation, when and where chartered? \_\_\_\_\_

3. Have you, your partners, or any other person having any kind of interest in your business ever been convicted for any offense under the laws of the State of Tennessee or of any other State of the United States? \_\_\_\_\_

If answer is yes, specify furnishing date, place, offense and disposition \_\_\_\_\_

4. Have you, your partners, or any other person having any kind of interest in this business been convicted of any offense under the laws of the State of Tennessee, or of any other State, or of the United States, prohibiting, or regulating the sale, possession, transportation, storing, manufacturing or otherwise handling intoxicating liquors within eight (8) years preceding the date of this application? \_\_\_\_\_ If answer is yes, specify furnishing date, place, offense and disposition \_\_\_\_\_

5. Have you or your partners (if any) ever been cited to appear before the Commissioner of Revenue or the Tennessee Alcoholic Beverage Commission and charged with a violation of the law or rules and regulations made pursuant to law? \_\_\_\_\_

6. Have you ever purchased and/or currently applied for a U.S. Department of Treasury Special Tax Registration (Alcohol and Tobacco) Stamp in your name and/or corporate name permitting you to engage in the liquor business? \_\_\_\_\_

If yes, give name and/or corporate name \_\_\_\_\_

7. Give the names and addresses of persons related to you by blood, marriage, or otherwise who own, operate, or have any interest either in a Retail Store, Wholesale Distributor, Distillery or Supplier. \_\_\_\_\_

8. Do you or your partners own, operate or have any interest, directly or indirectly, in a Retail Liquor Store, Wholesale Distributor, Distillery or Supplier? \_\_\_\_\_

9. Give the names and addresses of all persons other than those shown on the application who have any kind of interest — financial, loans, gifts, or securing loans, or otherwise — made for carrying on said business and describe such interest: \_\_\_\_\_

10. Give the names and addresses of all persons other than those shown on the application who share in the profits from your business and state their interest: \_\_\_\_\_

11. Give the name and address of the owner of the premises on which the business is to be located and the amount of the rental, if any. Also submit for our files a copy of any lease agreement which has or may be entered into. All persons having any interest direct or indirect in such places must be designated and interest specified: \_\_\_\_\_

12. Who will be in active control in the management of the business (i.e. on-premise managers)? \_\_\_\_\_
- \_\_\_\_\_
- (a) Designate the person or persons who will be in charge of the operation on the premises in the absence of the licensee or person primarily charged (i.e. assistant managers). \_\_\_\_\_
- (b) **Alcoholic Beverage Commission shall be notified by certified mail immediately of any change in management. Individual questionnaires shall be submitted with such notification.**
- (c) Such person or persons will be fingerprinted by the Alcoholic Beverage Commission.
13. Give the name and address of any other business in which you or your partners, if any, are actively engaged: \_\_\_\_\_
- \_\_\_\_\_
14. Do you agree to accept full responsibility for the action of any employee in the conduct of your business? \_\_\_\_\_
15. If this is an application for a renewal permit, state whether or not you received any financial assistance, loans, or otherwise, during the previous year? \_\_\_\_\_
16. If the answer to question 15 is "yes", state all facts and details in connection with said financial assistance, loans or otherwise: \_\_\_\_\_
- \_\_\_\_\_
17. Are you indebted to the State of Tennessee for any tax or does the State of Tennessee have any tax claim against you? If so, set forth amount and details: \_\_\_\_\_
- (a) Furnish Tennessee Sales Tax Registration Number: \_\_\_\_\_
18. Give name and address of any relative employed by the Tennessee Alcoholic Beverage Commission and degree of relationship. \_\_\_\_\_
- \_\_\_\_\_
19. If a permit is sought for a **RESTAURANT**, does your establishment fulfill the requirements of T.C.A. Section 57-4-102(19)? \_\_\_\_\_
- (a) Are meals actually and regularly served and at least one meal per day served at least 5 days a week, except for holidays, vacations, and periods of redecorating? \_\_\_\_\_
- (b) Is the serving of such meals the principal business conducted? \_\_\_\_\_
- (c) Estimate percentage of food sales as compared to gross sales. \_\_\_\_\_
- (d) Does the establishment have sleeping accommodations? \_\_\_\_\_
- (e) Does the establishment employ a sufficient number and kind of employees to prepare, cook and serve suitable foods for its patrons? \_\_\_\_\_
- (f) Does the establishment have an adequate and sanitary kitchen, with sufficient dining room equipment, and with a seating capacity of at least 75 people at tables? \_\_\_\_\_
- (g) What is the seating capacity of the establishment? \_\_\_\_\_
20. If a permit is sought for a **HOTEL (MOTEL)**, does your establishment fulfill the requirements of T.C.A. Section 57-4-102(14)? \_\_\_\_\_
- (a) Is your establishment a building used, maintained, advertised and held out to the public to be a place where food is actually served and consumed and sleeping accommodations are offered for adequate pay to travelers and guests, whether transient, permanent, or residential, in which fifty or more rooms are used for the sleeping accommodations of such guests and having one or more public dining rooms, with adequate and sanitary kitchen and a seating capacity of at least seventy-five (75) at tables, where meals are regularly served to such guests, such sleeping accommodations and dining rooms being conducted in the same building or in separate buildings or structures used in connection therewith that are on the same premises and are a part of the hotel operation? \_\_\_\_\_
21. If a permit is sought for a **PRIVATE CLUB**, does your organization meet the requirements of T.C.A. Section 57-4-102(4)? \_\_\_\_\_
- (a) Is your organization a for-profit association, organization or other business entity? \_\_\_\_\_
- (b) Is your organization a non-profit association organized and existing under the laws of the State of Tennessee, which has been in existence at least two (2) years prior to the application for a permit hereunder? \_\_\_\_\_
- If not, provide explanation. \_\_\_\_\_
- (c) Does your organization have at least one hundred (100) members regularly paying dues? \_\_\_\_\_
- (d) State total number of members and the amount of annual dues: \_\_\_\_\_
- (e) Is it organized and operated exclusively for pleasure, recreation and other non-profit purposes, no part of the net earning of which inures to the benefit of any shareholder or member? \_\_\_\_\_
- (f) Does it own, hire, or lease a building or space therein for the reasonable use of its members with suitable kitchen and dining room space and equipment and maintain and use a sufficient number of employees for cooking, preparing and serving meals for its members and guests? \_\_\_\_\_
- (g) Is at least one meal a day served five days a week? \_\_\_\_\_

(h) Do you state that no member or officer, agent or employee of the club is paid, or directly or indirectly receives, in the form of salary or other compensation, any profits from the sale of spirituous liquors, wines, champagnes or malt beverages beyond the amount of such salary as may be fixed by its members at an annual meeting or by its governing body out of the general revenue of the club? \_\_\_\_\_

(Tips which are added to the bills under club regulations shall not be considered as profits hereunder.)

**WARNING:** THIS STATEMENT IS MADE UNDER OATH OR AFFIRMATION. FALSE STATEMENTS CAN BE GROUNDS FOR REJECTION OF THE APPLICATION OR SUSPENSION OR REVOCATION OF PERMIT IF ISSUED.

Application authorized by \_\_\_\_\_  
Signature of Owner of Establishment

\_\_\_\_\_  
Signature of Applicant

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

My Commission Expires \_\_\_\_\_  
Notary Public

\*The State of Tennessee and the Tennessee Alcoholic Beverage Commission are an Equal Opportunity Employer. Discrimination, in any of its practices, which is based on age, race, sex, color, religion, national origin, disabling condition or any other nonmerit factor is prohibited. Thus, the Tennessee Alcoholic Beverage Commission is an equal opportunity, equal access, affirmative action public entity.

**FOR ADDITIONAL INFORMATION:**

Contact the agency ADA Coordinator for this state agency: Assistant Director at 615-741-1602 or the Tennessee Office of Americans with Disabilities, Department of Personnel. Alternate formats of this notice are available on request.





Tennessee Department of Revenue

TAX BOND  
FOR  
LICENSEE FOR SALE OF ALCOHOLIC BEVERAGES FOR CONSUMPTION ON THE PREMISES

Bond Number

We, \_\_\_\_\_, City of \_\_\_\_\_, County of \_\_\_\_\_, state of Tennessee, as principal, and (Surety) \_\_\_\_\_, a corporation organized under the laws of the State of \_\_\_\_\_, and duly admitted and/or authorized by the Tennessee Commissioner of Insurance to transact surety insurance business in this state pursuant to Chapter 2 or Chapter 20 of Title 56 of the Tennessee Code Annotated, as surety, acknowledge our indebtedness to the state of Tennessee in the penal sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) for the payment of which sum we hereby obligate and bind ourselves and our respective legal representatives and successors, jointly and severally.

The conditions of the foregoing obligation are that:

1. Principal has applied to the Alcoholic Beverage Commission of the state of Tennessee for a license to sell alcoholic beverages for consumption on the premises under the provisions of T.C.A., Section 57-4-101, et. seq.

2. Pursuant to T.C.A. Section 57-4-302, and the rules promulgated pursuant thereto, a bond in the amount of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) must be executed by principal and a solvent corporate surety approved by the Commissioner of Revenue, such bond to be conditioned on the proper payment of all state taxes, penalty and interest connected with the sale of alcoholic beverages for consumption on the premises for which the principal may become liable.

If the principal shall properly pay all taxes, penalty and interest connected with the sale of alcoholic beverages for consumption on the premises for which they may become liable during the effective period of this obligation, then this obligation shall be null and void; otherwise, it shall remain in full force and effect.

This bond is executed pursuant to T.C.A. Section 57-4-101 et seq., and is intended to comply with all requirements of such statute, and further, in accordance with the provisions and requirements of that statute, it is expressly provided that:

1. Both the principal and surety under this bond shall be considered the taxpayers as to the State of Tennessee with all rights, privileges, obligations and limitations pertaining to taxpayers under the laws of the state of Tennessee.

2. The surety, upon the payment of any amount of the state of Tennessee pursuant to this bond, shall not be subrogated to any rights of the state of Tennessee to collect taxes unless and until the entire liability of the principal to the state of Tennessee has been paid including all taxes, penalty and interest assessed against the principal.

3. The surety shall be liable to the State of Tennessee for any taxes, penalty and interest connected with the sale of alcoholic beverages for consumption on the premises accruing against the principal(s) during the effective period of the bond which are not properly paid to the state of Tennessee, up to the maximum penal amount of the bond, provided, however, that if the maximum penal amount of the bond is properly revised based on the experience of the first three full months of the initial effective period of the bond, the revision shall relate back to the beginning of the initial effective period of the bond, and the surety shall be liable for any taxes, penalty and interest connected with the sale of alcoholic beverages for consumption on the premises accruing against the principal(s) since the beginning of the initial effective period of the bond, which are not properly paid to the State of Tennessee, up to the revised maximum penal amount of the bond. Subsequent revisions of the maximum penal amount shall be effective prospectively only from the effective date of the revision.

4. The effective date of this bond shall be \_\_\_\_\_, 20\_\_\_\_. This bond is a continuous bond and shall continue in full force from the effective date of the bond through the period that the principal is a licensee under T.C.A. Section 57-4-101 et seq., unless terminated or cancelled as hereinafter provided.

5. Surety may cancel this bond and be relieved of further liability hereon by giving sixty (60) days written notice to the Tennessee Department of Revenue, Alcohol and Tobacco Tax Section, Andrew Jackson State Office Building, Nashville, Tennessee 37242; but such cancellation shall not affect any liability incurred or accrued hereunder prior to the termination of the notice period.

The premium for which this bond is written is \_\_\_\_\_ Dollars (\$ \_\_\_\_\_). In witness whereof, the parties have executed this bond at \_\_\_\_\_, the \_\_\_\_\_ day of \_\_\_\_\_; 20 \_\_\_\_.

Surety

Corporate Principal(s)

By \_\_\_\_\_ Attorney in Fact



SIGNATURE OF PRINCIPAL(S) MUST BE NOTARIZED HERE

State of \_\_\_\_\_

County of \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_, before me personally appeared the \_\_\_\_\_, to me known to be (principal) (principals) described in and who executed the foregoing instrument, and acknowledged that (he) (she) (they) executed the same as (his) (her) (their) free act and deed.

\_\_\_\_\_  
Notary Public

My Commission expires on the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

(SEAL)

SIGNATURE OF ATTORNEY IN FACT\* FOR SURETY MUST BE NOTARIZED HEREE

State of \_\_\_\_\_

County of \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_, before me, a notary public, personally appeared \_\_\_\_\_, to me known to be the person who executed the foregoing instrument in behalf of \_\_\_\_\_, surety, and acknowledged that (he) (she) executed the same as the free act and deed of said surety.

\_\_\_\_\_  
Notary Public

My Commission expires on the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

(SEAL)

Approved as to sufficiency and accepted:

\_\_\_\_\_  
Delegate of Commissioner of Revenue

\*If this bond is executed by an attorney in fact for any party thereto, a copy of the power of attorney designating such person as attorney in fact with the authority to execute such instruments must be attached hereto.



Tennessee Department of Revenue

TAX BOND  
FOR  
LICENSEE FOR SALE OF ALCOHOLIC BEVERAGES FOR CONSUMPTION ON THE PREMISES

Bond Number

We, \_\_\_\_\_, City of \_\_\_\_\_

County of \_\_\_\_\_, state of Tennessee, as principal, and  
(Surety) \_\_\_\_\_, a corporation organized under the laws of the  
State of \_\_\_\_\_, and duly admitted and/or authorized by  
the Tennessee Commissioner of Insurance to transact surety insurance business in this state pursuant to  
Chapter 2 or Chapter 20 of Title 56 of the Tennessee Code Annotated, as surety, acknowledge our indebtedness  
to the state of Tennessee in the penal sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_)  
for the payment of which sum we hereby obligate and bind ourselves and our respective legal representatives  
and successors, jointly and severally.

The conditions of the foregoing obligation are that:

1. Principal has applied to the Alcoholic Beverage Commission of the state of Tennessee for a  
license to sell alcoholic beverages for consumption on the premises under the provisions of T.C.A., Section 57-4-  
101, et. seq.

2. Pursuant to T.C.A. Section 57-4-302, and the rules promulgated pursuant thereto, a bond in the  
amount of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_)  
must be executed by principal and a solvent corporate surety approved by the Commissioner of Revenue, such  
bond to be conditioned on the proper payment of all state taxes, penalty and interest connected with the sale of  
alcoholic beverages for consumption on the premises for which the principal may become liable.

If the principal shall properly pay all taxes, penalty and interest connected with the sale of alcoholic  
beverages for consumption on the premises for which they may become liable during the effective period of this  
obligation, then this obligation shall be null and void; otherwise, it shall remain in full force and effect.

This bond is executed pursuant to T.C.A. Section 57-4-101 et seq., and is intended to comply with all  
requirements of such statute, and further, in accordance with the provisions and requirements of that statute, it is  
expressly provided that:

1. Both the principal and surety under this bond shall be considered the taxpayers as to the State of  
Tennessee with all rights, privileges, obligations and limitations pertaining to taxpayers under the laws of the  
state of Tennessee.

2. The surety, upon the payment of any amount of the state of Tennessee pursuant to this bond,  
shall not be subrogated to any rights of the state of Tennessee to collect taxes unless and until the entire liability  
of the principal to the state of Tennessee has been paid including all taxes, penalty and interest assessed against  
the principal.

3. The surety shall be liable to the State of Tennessee for any taxes, penalty and interest connected  
with the sale of alcoholic beverages for consumption on the premises accruing against the principal(s) during  
the effective period of the bond which are not properly paid to the state of Tennessee, up to the maximum penal  
amount of the bond, provided, however, that if the maximum penal amount of the bond is properly revised based  
on the experience of the first three full months of the initial effective period of the bond, the revision shall relate  
back to the beginning of the initial effective period of the bond, and the surety shall be liable for any taxes,  
penalty and interest connected with the sale of alcoholic beverages for consumption on the premises accruing  
against the principal(s) since the beginning of the initial effective period of the bond, which are not properly paid  
to the State of Tennessee, up to the revised maximum penal amount of the bond. Subsequent revisions of the  
maximum penal amount shall be effective prospectively only from the effective date of the revision.

4. The effective date of this bond shall be \_\_\_\_\_, 20\_\_\_\_. This  
bond is a continuous bond and shall continue in full force from the effective date of the bond through the period  
that the principal is a licensee under T.C.A. Section 57-4-101 et seq., unless terminated or cancelled as  
hereinafter provided.

5. Surety may cancel this bond and be relieved of further liability hereon by giving sixty (60) days  
written notice to the Tennessee Department of Revenue, Alcohol and Tobacco Tax Section, Andrew Jackson  
State Office Building, Nashville, Tennessee 37242; but such cancellation shall not affect any liability incurred or  
accrued hereunder prior to the termination of the notice period.

The premium for which this bond is written is \_\_\_\_\_ Dollars  
(\$ \_\_\_\_\_). In witness whereof, the parties have executed this bond at \_\_\_\_\_,  
the \_\_\_\_\_ day of \_\_\_\_\_; 20 \_\_\_\_.

Surety

Principal(s)

By \_\_\_\_\_  
Attorney in Fact

SIGNATURE OF PRINCIPAL(S) MUST BE NOTARIZED HERE

State of \_\_\_\_\_

County of \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_, before me personally appeared the \_\_\_\_\_, to me known to be (principal) (principals) described in and who executed the foregoing instrument, and acknowledged that (he) (she) (they) executed the same as (his) (her) (their) free act and deed.

\_\_\_\_\_  
Notary Public

My Commission expires on the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

(SEAL)

SIGNATURE OF ATTORNEY IN FACT\* FOR SURETY MUST BE NOTARIZED HEREE

State of \_\_\_\_\_

County of \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_, before me, a notary public, personally appeared \_\_\_\_\_, to me known to be the person who executed the foregoing instrument in behalf of \_\_\_\_\_, surety, and acknowledged that (he) (she) executed the same as the free act and deed of said surety.

\_\_\_\_\_  
Notary Public

My Commission expires on the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

(SEAL)

Approved as to sufficiency and accepted:

\_\_\_\_\_  
Delegate of Commissioner of Revenue

\*If this bond is executed by an attorney in fact for any party thereto, a copy of the power of attorney designating such person as attorney in fact with the authority to execute such instruments must be attached hereto.

PLEDGE OF COLLATERAL TO THE DEPARTMENT  
OF REVENUE OF THE STATE OF TENNESSEE

1. The undersigned has executed and delivered to the Department of Revenue of the state of Tennessee a bond dated \_\_\_\_\_, by which the undersigned guarantees payment of the taxes plus penalty and interest as may accrue by the law from \_\_\_\_\_ (taxpayer) to the Department of Revenue of the state of Tennessee.

2. As collateral for such bond and in consideration therefore, the undersigned has this day pledged to the Department of Revenue of the state of Tennessee the following Certificate of Deposit as collateral security for the performance of said bond to-wit:

FINANCIAL INSTITUTION	AMOUNT	DATE OF ISSUANCE	DATE OF MATURITY	CERTIFICATE NUMBER
_____	_____	_____	_____	_____

3. This pledge creates a security interest for all sums of money for which the undersigned may now or hereafter be liable to the Department of Revenue of the state of Tennessee under said bond for failure to report and/or pay taxes, penalty and interest owing, in the aforementioned Certificate of Deposit.

4. In the event any default be made at any time of the payment of the aforementioned taxes, penalty and interest of the undersigned on said bond, then or at any time thereafter at the election of the Department of Revenue of the state of Tennessee or his delegate to sell, assign, or make presentment of and deliver, all or any part of said Certificate of Deposit, including substations and additions thereto, without notice to redeem, or notice of the time, place and manner of such assignment or presentment, all of which is expressly waived by the undersigned.

(a) Notice of seizure shall be given as is notice of seizure under T.C.A. Section 67-1-1414 and such sale shall be conducted as provide for the sale of property seized, pursuant to T.C.A. Section 67-1-1415 through 67-1-1419 provided that the county wherein such seizure is made, referred to in T.C.A. Section 67-1-1415 shall be deemed to be Davidson County, Tennessee; and further provided that all rights of the undersigned and all those claiming through or under the undersigned are expressly waived.

(b) The undersigned expressly agrees that the presentment of said Certificate of Deposit by the Commissioner of Revenue of the state of Tennessee or his delegate may be presentment of all or any part of said Certificate of Deposit at the time of default or at any time thereafter, at the election of the Commissioner of Revenue of the state of Tennessee, that all rights of the undersigned and all those claiming through or under the undersigned are expressly waived.

5. The undersigned expressly waives and releases the right of redemption of any Certificate of Deposit presented or sold under the authority herein given.

6. The proceeds arising from any sale, presentment, or other collection in reference to pledged property shall be applied as is provided for the application of proceeds under T.C.A. Section 67-1-1426. The undersigned shall receive credit only for the amount available for payment of his obligations and shall remain liable for any amount not so paid.

7. The Department of Revenue of the state of Tennessee shall be under no obligation or liability of any kind to any person bound with the undersigned upon any liability secured hereby in dealing with said Certificate of Deposit, or applying the proceeds therefore, or collection therefrom, and may at the sole election of the Department of Revenue of the state of Tennessee deliver to the undersigned or on his order, Certificate of Deposit pledged, either with or without the substitution of other or additional Certificates of Deposit.

8. The Department of Revenue of the state of Tennessee shall not be obligated to take any legal steps for collection, protection or preservation of any Certificates of Deposit pledged herewith.

9. The rights, duties and obligation hereunder of the Department of Revenue of the state of Tennessee and the undersigned shall, unless otherwise required by law, be governed by the laws of the state of Tennessee, as in effect now and henceforth.

10. Funds have been deposited with this financial institution and are to be used as collateral for a bond to insure the payment of Tennessee taxes. It is our understanding that the taxpayer wishes to make an assignment of his right to the aforementioned Certificate(s) of Deposit and that the Department of Revenue is authorized by him to make demand for such Certificate(s) of Deposit upon his failure to pay Tennessee taxes owing. This institution approves of and recognizes the assignment of the Certificate(s) of Deposit as a valid assignment and warrants to the Department of Revenue of the state of Tennessee that this institution shall, upon demand from the Department of Revenue promptly pay the Certificate(s) of Deposit to the Department of Revenue.

Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_  
County: \_\_\_\_\_  
State: \_\_\_\_\_

Sworn and subscribed to before me this the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_

\_\_\_\_\_  
(Notary Public)

\_\_\_\_\_  
Signature & Title of Financial Institutional Officer

Sworn and subscribed to before me this the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_





## REMINDERS

- 1) Read instructions and complete Schedule A on reverse side before preparing this worksheet.
- 2) Transfer the amounts reported in the worksheet to the corresponding item numbers in the bottom portion.
- 3) Be sure to sign and date your return in the signature box on the back of the form.

ROUND TO NEAREST DOLLAR

1. GROSS SALES (Enter total from Line f, Schedule A, reverse side) .....	00
2. TAXABLE BASE (Divide Line 1 by ; Sales tax rate is ) .....	00
3. TAX ( % of Line 2) .....	00
4. ENTER CREDIT AMOUNT (If applicable) .....	00
5. PENALTY (If filed late, see instructions on reverse side) .....	00
6. INTEREST (If filed late, see instructions on reverse side; current interest rate per annum is %) .....	00
7. TOTALAMOUNT REMITTED (Add lines 3, 5, and 6; subtract Line 4 (credit) if applicable to determine amount due .....	00

**Keep Upper Portion For Your Records  
Return Copy Below - Detach Here**

ROUND TO NEAREST DOLLAR  
WRITE NUMBERS LIKE THIS

1	2	3	4	5	6	7	8	9	0
---	---	---	---	---	---	---	---	---	---

**LBD**  
**103**

TENNESSEE DEPARTMENT OF REVENUE  
LIQUOR-BY-THE-DRINK TAX RETURN

Filing Period		Due Date	
ACCOUNT NO.			

If an amended  
return, check  
box above

1. GROSS SALES  
(Enter total from Line f, Schedule A)
2. 

{	TAXABLE BASE	}
	divide Line 1 by (Sales tax Rate is	
3. TAX  
(15% of Line 2)
4. CREDIT AMOUNT
5. PENALTY
6. INTEREST (                      per annum)
7. TOTAL AMOUNT REMITTED

[illegible]



## INSTRUCTIONS

- GENERAL:** Since you have been licensed to sell alcoholic beverages for consumption on the premises, you are required to file monthly returns and pay the applicable 15% tax. You are to report gross sales of alcoholic beverages, including all taxes in Schedule A. Sales of beer, food, and other items are NOT to be included in this report.
- DUE DATE:** The return along with the appropriate tax payment are due to be filed on or before the 15th day following the end of your accounting period. In addition to penalty and interest being assessed, the late filing of a return or the underpayment of the tax must be reported to the Alcoholic Beverage Commission by the Department of Revenue. Returns delinquent or underpaid three (3) times during one license period may subject your license to suspension or revocation.
- TAXPAYER/TAX PREPARER'S SIGNATURE:** You must sign and date your return. Paid preparers (accountants, attorneys, etc.) must also sign the return.
- FILING:** Make your check payable to the Tennessee Department of Revenue for the amount shown on Line 7 of the return and mail with the return to: Tennessee Department of Revenue, Andrew Jackson State Office Building, 500 Deaderick Street, Nashville, TN 37242. NOTE: The payment of the tax by Electronic Funds Transfer (EFT) does not relieve you of filing a timely tax return.
- AMENDED RETURNS:** If this return is an "Amended Return," please indicate "Period Ending" on the front and check the appropriate box on the back of the form.
- COMPUTATION OF TAX:**
- Line 1: Compute GROSS SALES including all taxes in Schedule A (back of return) and transfer total from Line f to Line 1 (front of return).
  - Line 2: The tax base factor is 1.15 plus your state and local sales tax rate. Divide Line 1 by this factor to determine TAXABLE BASE.
  - Line 3: Multiply Line 2 by 15% to determine GROSS RECEIPTS TAX.
  - Line 4: Enter the amount of any outstanding CREDIT AMOUNT of gross receipts tax previously notified by the department.
  - Line 5: If filed late, PENALTY is computed at 5% of the tax (Line 3 minus the credit on Line 4) for each 30-day period or any fractional part of a 30-day period that the return is delinquent. Total penalty is not to exceed 25% of the tax due; the minimum penalty is \$15.00 regardless of the amount of tax due or whether there is any tax due.
  - Line 6: If filed late, INTEREST is computed at the current rate on the tax (Line 3 minus the credit on Line 4) from the due date to the date paid. (Formula: Tax multiplied by current interest rate multiplied by the number of days late divided by 365.)
  - Line 7: Add Lines 3, 5, and 6; if credit balance entered on Line 4, subtract from total of Lines 3, 5, and 6 to determine net amount due.

For additional information, contact the Taxpayer Services Division in one of our Department of Revenue Offices:

**Chattanooga**  
(423) 634-6266  
Suite 350  
State Office Building  
540 McCallie Avenue

**Jackson**  
(731) 423-5747  
Room 405 B  
Lowell Thomas Building  
225 Martin Luther King Blvd.

**Memphis**  
(901) 213-1400  
3150 Appling Road

**Knoxville**  
(865) 594-6100  
Room 606  
State Office Building  
531 Henley Street

**Johnson City**  
(423) 854-5321  
204 High Point Drive

**Nashville**  
(615) 253-0600  
3rd Floor  
Andrew Jackson Building  
500 Deaderick Street

Tennessee residents can also call our statewide toll free number at 1-800-342-1003. Out-of-state callers must dial (615) 253-0600.

If your account number is not preprinted on the front of the return, enter your social security number (SSN) and/or federal employer identification number (FEIN) in the spaces below:

### SCHEDULE A - WORKSHEET GROSS SALES INCLUDING ALL TAXES:

Compute gross sales of distilled spirits and wine including alcoholic beverages tax (15%) and applicable sales tax.  
(Transfer amounts to Schedule A below)

a) TOTAL SALES - Regular Prices	\$
b) TOTAL SALES - Happy Hour Sales	\$
c) TOTAL SALES - Other Special Prices	\$
d) TOTAL SALES - Other Special Prices	\$
e) TOTAL SALES - Other Special Prices	\$
f) GROSS SALES - (total of lines a through e)	\$

Check appropriate box  
and fill in number below:  
FEIN or SSN

--	--	--	--	--	--	--	--

Under penalties of perjury, I declare that I have examined this report, and to the best of my knowledge and belief, it is true, correct, and complete.

Taxpayer's Signature

Date

Signature of Preparer other than Taxpayer

Date

Tax Preparer's Address

Phone Number

### SCHEDULE A

a) TOTAL SALES - Regular Prices	\$
b) TOTAL SALES - Happy Hour Sales	\$
c) TOTAL SALES - Other Special Prices	\$
d) TOTAL SALES - Other Special Prices	\$
e) TOTAL SALES - Other Special Prices	\$
f) GROSS SALES -(total of lines a through e; enter on Line 1 on front of return)	\$



TENNESSEE DEPARTMENT OF REVENUE  
GROSS RECEIPTS TAX RETURN - MIXING BAR TAX

GRO  
204

Filing Period		Due Date		FEIN or SSN
				ACCOUNT
				Returns must be postmarked by the due date. Returns must be filed even if no sales were made or any tax due.  Make your check payable to the Tennessee Department of Revenue for the amount shown on Line 6 and mail to: Tennessee Department of Revenue Andrew Jackson State Office Building 500 Deaderick Street Nashville, TN 37242

REMINDERS

- 1) Read instructions on reverse side before preparing this worksheet.
- 2) Fill out Schedule A on back of return and transfer the total to Line 1 of the worksheet below.
- 3) Transfer the amounts reported in the worksheet to the corresponding item numbers in the bottom portion.
- 4) Be sure to sign and date your return in the signature box on the back of the form.

WORKSHEET FOR COMPUTING TAX

ROUND TO NEAREST DOLLAR

1. TOTAL GROSS RECEIPTS (From Schedule A, Line 4 on back of return) .....	00
2. GROSS RECEIPTS TAX (     % of Line 1) .....	00
3. CREDIT MEMO BALANCE (If applicable) .....	00
4. PENALTY (Line 2 minus Line 3 multiplied by 5% for each 30-day period or portion thereof for which tax is late. Maximum of 25%). Minimum penalty is \$15 regardless of the amount of tax due or whether there is any tax due. ....	00
5. INTEREST (Line 2 minus Line 3 multiplied by the current interest rate of     % per annum, from the due date to the date paid) .....	00
6. TOTAL AMOUNT REMITTED (Add Lines 2, 4, and 5; subtract Line 3 if applicable) .....	00

Keep Upper Portion For Your Records  
▼ Return Copy Below - Detach Here ▼

WRITE NUMBERS LIKE THIS

1 2 3 4 5 6 7 8 9 0

GRO  
204

TENNESSEE DEPARTMENT OF REVENUE  
GROSS RECEIPTS TAX RETURN - MIXING BAR TAX

Filing Period		Due Date	
ACCOUNT			

If an amended return, check box above

1. TOTAL GROSS RECEIPTS

2. GROSS RECEIPTS TAX  
(     % of Line 1)

3. CREDIT MEMO BALANCE

4. PENALTY

5. INTEREST  
(     % per annum)

6. TOTAL AMOUNT REMITTED

										00
										00
										00
										00
										00
										00

## INSTRUCTIONS

**GENERAL:** A "person selling mixed drinks and/or setups for mixed drinks" includes any person deriving receipts from the sale of mixed drinks and/or setups for mixed drinks or alcoholic beverages whether or not consumed on the premises and shall include any country club, night club or private club in the nature of any social dinner, athletic or sporting club or organization, and any fraternal society, order, or association making sales and charges for any of these items. "Mixed drinks and/or setups for mixed drinks" shall mean and include any sales of beverages containing any alcoholic content, other than beer, and shall include sales of water, soft drinks, ice or any item capable of being used to prepare a mixed drink at a place of business of a person liable for the tax imposed by this section. This section shall also include the sale of setups for mixed drinks for consumption by persons supplying alcoholic beverages from their own bottle or other container on the premises of persons holding licenses under title 57, chapter 4 to dispense alcoholic beverages for consumption on the premises. The term "gross receipts" shall mean and include the total receipts from the sale of any item included in the preceding paragraph, without any deductions therefrom for any cost of sales, expense, or any other charge whatsoever. **NOTE:** Sales Tax is a part of Gross Receipts and cannot be deducted from the total receipts.

**DUE DATE:** The return along with the appropriate tax payments are due on or before the 20th day of the month following the month in which the gross receipts are derived.

**TAXPAYER/TAX PREPARER'S SIGNATURE:** You must sign and date your return. Paid preparers (accountants, attorneys, etc.) must also sign the return.

**FILING:** Make your check payable to the Tennessee Department of Revenue for the amount shown on Line 6 of the return and mail with the return to: Tennessee Department of Revenue, Andrew Jackson State Office Building, 500 Deaderick Street, Nashville, TN 37242. **NOTE:** The payment of the tax by Electronic Funds Transfer (EFT) does not relieve you of filing a timely tax return.

**AMENDED RETURNS:** If this return is an "Amended Return," please indicate "Period Ending" and check the appropriate box on the front of the form.

### COMPUTATION OF TAX:

- Line 1: Compute "Gross Receipts" in Schedule A and transfer total to Line 1 (front of return).  
 Line 2: The Gross Receipts Tax is computed at 15% of Line 1.  
 Line 3: Enter outstanding CREDIT AMOUNT from previous Department of Revenue notice(s).  
 Line 4: If filed late, PENALTY is computed at 5% of the fee (Line 2 minus the credit on Line 3) for each 30-day period or portion thereof that the return is delinquent. Total penalty is not to exceed 25% of the tax due; the minimum penalty is \$15.00 regardless of the amount of tax due or whether there is any tax due.  
 Line 5: If filed late, compute INTEREST at the current rate on the tax (Line 2 minus the credit on Line 3) from the due date to the date paid.  
 Line 6: Add lines 2, 4, and 5 and subtract credit amount entered on Line 3 to determine net AMOUNT DUE.

For additional information, contact the Taxpayer Services Division in one of our Department of Revenue Offices:

**Chattanooga**  
 (423) 634-6266  
 Suite 350  
 State Office Building  
 540 McCallie Avenue

**Knoxville**  
 (865) 594-6100  
 Room 606  
 State Office Building  
 531 Henley Street

**Jackson**  
 (731) 423-5747  
 Room 405 B  
 Lowell Thomas Building  
 225 Martin Luther King Blvd.

**Johnson City**  
 (423) 854-5321  
 204 High Point Drive

**Memphis**  
 (901) 213-1400  
 3150 Appling Road

**Nashville**  
 (615) 253-0600  
 3rd Floor  
 Andrew Jackson Building  
 500 Deaderick Street

Tennessee residents can also call our statewide toll free number at 1-800-342-1003. Out-of-state callers must dial (615) 253-0600.

## SCHEDULE A - MIXING BAR WORKSHEET GROSS RECEIPTS OF SALES:

Compute gross receipts for items listed below.  
 (Transfer amounts to Schedule A below)

1) Gross receipts from sales of setups

\$

2) Gross receipts of mixed drinks

\$

3) Gross receipts from bottled alcoholic beverage sales

\$

4) Total (Add Lines 1, 2, and 3; transfer to Line 1 on front)

\$

▼ If your account number is not preprinted on the front of the return, enter your federal employer identification number (FEIN) or social security number (SSN) in the spaces below: ▼

☐

Check appropriate box and fill in number below:  
 ◀ FEIN or SSN ▶

☐

--	--	--	--

Under penalties of perjury, I declare that I have examined this return, and to the best of my knowledge and belief, it is true, correct, and complete.

\_\_\_\_\_  
 Taxpayer's Signature

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Signature of Preparer other than Taxpayer

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Tax Preparer's Address

\_\_\_\_\_  
 Phone Number

## SCHEDULE A

1) Gross receipts from sales of setups

\$

2) Gross receipts of mixed drinks

\$

3) Gross receipts from bottled alcoholic beverage sales

\$

4) Total (Add Lines 1, 2, and 3; transfer to Line 1 on front)

\$



SCHEDULE BRAND NAMES OF:  
*(Specify One Only)*

☐ DISTILLED SPIRITS BEING DISTRIBUTED AND THE DESIGNATED WHOLESALERS  
☐ WINES BEING DISTRIBUTED AND THE DESIGNATED WHOLESALERS

Name of Manufacturer or Importer	Address	City	State
----------------------------------	---------	------	-------

Full Brand Name (List in Alphabetical Order)	ATF Class #	Tennessee Wholesale # of Cases Sold (Previous Year)	If New Brand of Distilled Spirits Enter \$250.00	If 50 Cases Or More Sold of Distilled Spirits Enter \$250.00	If Less Than 50 Cases Sold of Distilled Spirits Enter \$100.00	If 250 Cases Or More Of Wine Sold Enter \$250.00	Designated Wholesaler(s) That Will Distribute This Brand			
							Knoxville	Chattanooga	Nashville	Memphis

This form must be accompanied by one (1) copy of the approved BATF Form 5100.31 for each brand being distributed along with the label for such brand. If a brand is distributed under more than one (1) label, each respective label must also be furnished.

\* *Separate* schedules must be completed for distilled spirits and wines respectively.

\* Schedule must be fully completed for those brands of wine with less than 250 cases sold.



Filing Period  Beginning:  Ending:	Account No.	SSN OR FEIN
	Due Date	
		<p>Returns must be postmarked by the due date to avoid the assessment of penalty and interest. Returns must be filed even if no sales were made or any tax due.</p> <p>Make your check payable to the Tennessee Department of Revenue for the amount shown on Line 6 and mail to:</p> <p>Tennessee Department of Revenue          Andrew Jackson State Office Bldg.          500 Deaderick Street          Nashville, TN 37242</p>

- 1) Please read instructions on reverse side before preparing this return.
- 2) Maintain adequate records to support return.
- 3) Transfer the amounts reported in the worksheet to the corresponding item numbers in the bottom portion.
- 4) Be sure to sign and date your return in the signature box on the back of the form.

1. Taxable sales in gallons (from Schedule A, Line 7) .....	(1)	_____
2. Tax due - Multiply Line 1 by the tax rate (\$ _____) .....	(2)	\$ _____
3. Credits (if applicable) .....	(3)	\$ _____
4. Penalty (if filed late, see instructions on reverse side) .....	(4)	\$ _____
5. Interest (If filed late, see instructions on reverse side; current interest rate per annum is _____%) .....	(5)	\$ _____
6. Total remittance amount (Add lines 2, 4, and 5; subtract Line 3) .....	(6)	\$ _____

ROUND TO NEAREST DOLLAR  
WRITE NUMBERS LIKE THIS

1	2	3	4	5	6	7	8	9	0
---	---	---	---	---	---	---	---	---	---

[illegible]

INTERNET (3-01)

# INSTRUCTIONS

- General:** There is levied upon the sale and distribution of wine produced in Tennessee a tax on each gallon.
- Due Date:** The return along with the appropriate payment is due to be filed on or before the 15th day of the month following the period covered.
- Taxpayer/ Tax Preparer's Signature:** You must sign and date your return. Paid preparers, (accountants, attorneys etc.) must also sign the return.
- Filing:** Make your check payable to the Tennessee Department of Revenue for the amount shown on Line 6 of the return and mail with the return to: Tennessee Department of Revenue, Andrew Jackson State Office Building, 500 Deaderick Street, Nashville, Tennessee 37242. Payment of the tax by Electronic Funds Transfer (EFT) does not relieve you of filing a timely tax return.
- Amended Return:** If this is an amended return, please indicate "filing period" and check the appropriate box on the front of this form.

## COMPUTATION OF TAX

- Line 1. Taxable sales in gallons.
- Line 2. Tax Due (Multiply Line 1 by tax rate).
- Line 3. Credit: enter outstanding credit amount from Department of Revenue notice(s).
- Line 4. Penalty: If filed late, penalty is computed at 5% of tax due (Line 2 minus any credit on Line 3) for each 30-day period or portion thereof that the return is late. Maximum penalty is not to exceed 25% of the tax due; minimum penalty is \$15 regardless of amount of tax due or whether there is any tax due.
- Line 5. Interest: If filed late, interest is computed at the current rate on the tax (Line 2 minus Line 3 credit, if applicable) from the due date to date paid.
- Line 6. Total amount remitted: Add lines 2, 4, and 5; subtract Line 3 (if applicable).

For additional information, contact the Taxpayer Services Division in one of our Department of Revenue Offices:

**Chattanooga**  
(423) 634-6266  
Suite 350  
State Office Building  
540 McCallie Avenue

**Jackson**  
(731) 423-5747  
Room 405 B  
Lowell Thomas Building  
225 Martin Luther King Blvd.

**Johnson City**  
(423) 854-5321  
204 High Point Drive

Tennessee residents can also call our statewide toll free number at 1-800-342-1003. Out-of-state callers must dial (615) 253-0600.

**Knoxville**  
(865) 594-6100  
Room 606  
State Office Building  
531 Henley Street

**Memphis**  
(901) 213-1400  
3150 Appling Road

**Nashville**  
(615) 253-0600  
3rd Floor  
Andrew Jackson Building  
500 Deaderick Street

▼ If your account number is not preprinted on the front of the return, enter your federal employer identification number (FEIN) or social security number (SSN) in the spaces below: ▼

## SCHEDULE A - WORKSHEET

### WINE TAX RETURN:

(Transfer amounts to Schedule A below)  
CARRY GALLONAGE FIGURES TO FOUR DECIMAL PLACES

1. Number gallons on hand/Beginning of Period .....
2. Add: Number of gallons produced during period ...
3. Total gallons available .....
4. Less: Number of gallons on hand end of period ...
5. Number of gallons sold .....
6. Less: Adjustment (List sales to wholesalers plus the bulk exchange) .....
7. Taxable Sales in gallons (Subtract Line 6 from Line 5) .....

Check appropriate box and fill in number below:  
◀ FEIN or SSN ▶

--	--	--	--	--	--	--	--

## Schedule A

Transfer amount on Line 7 below to Line 1 of worksheet on the front

1. Number gallons on hand/Beginning of Period .....
2. Add: Number of gallons produced during period ...
3. Total gallons available .....
4. Less: Number of gallons on hand end of period ...
5. Number of gallons sold .....
6. Less: Adjustment (List sales to wholesalers plus the bulk exchange) .....
7. Taxable Sales in gallons (Subtract Line 6 from Line 5) .....

Under penalties of perjury, I declare that I have examined this report, and to the best of my knowledge and belief, it is true, correct, and complete.

Taxpayer's Signature

Date

Signature of Preparer other than Taxpayer

Date

Tax Preparer's Address


Phone Number





TENNESSEE DEPARTMENT OF REVENUE  
WHOLESALE ALCOHOLIC BEVERAGE RETURN

**ALC  
102**

Filing Period Beginning:		Account No.	SSN OR FEIN
Ending:		Due Date	<p>Returns must be postmarked by the due date to avoid the assessment of penalty and interest. Returns must be filed even if no sales were made or any tax due.</p> <p>Make your check payable to the Tennessee Department of Revenue for the amount shown on Line 10 and mail to:</p> <p>Tennessee Department of Revenue Andrew Jackson State Office Bldg. 500 Deaderick Street Nashville, TN 37242</p>
<p><b>REMINDERS</b></p> <ol style="list-style-type: none"> <li>Please read instructions on reverse side before preparing this return.</li> <li>Transfer the amounts reported in Schedules A and B to the appropriate lines in Columns 1 and 2 on front of return.</li> <li>Attach any printout and/or documentation as required by instructions on reverse side.</li> <li>Sign and date return in the signature box below.</li> </ol>			
			<p>IF AN AMENDED RETURN CHECK HERE  <input type="checkbox"/></p>

CARRY LITERS TO FOUR DECIMAL PLACES

WRITE NUMBERS LIKE THIS  

1	2	3	4	5	6	7	8	9	0
---	---	---	---	---	---	---	---	---	---

 ROUND TO NEAREST DOLLAR

**DISTILLED SPIRITS**



**WINE**

1. Total Liter disposition (Transfer from Sch. A, Line 5) ..	_____	_____											
2. Exemptions-Liters (transfer from Sch. B, Line 8) .....	_____	_____											
3. Adjusted gross sales (subtract Line 2 from Line 1) ....	_____	_____											
4. Tax rate .....	_____	_____											
5. Tax liability (multiply Line 3 by Line 4 tax rate) .....	_____	_____											
6. Total Tax Due (add line 5, columns 1 and 2) .....	_____	_____											
7. Credit (enter outstanding credit amount from Department of Revenue notice(s) .....	_____	_____											
8. Penalty - if filed late, see instructions on reverse side .....	_____	_____											
9. Interest - if filed late, see instructions on reverse side; current interest rate per annum is      %	_____	_____											
10. Total Remittance Amount (Add lines 6, 8, and 9, less Line 7 if applicable) .....	_____	<table border="1"> <tr> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>00</td> </tr> </table>											00
										00			

FOR  
OFFICE  
USE ONLY

--	--	--	--	--	--	--	--	--	--

--	--	--	--	--	--	--	--	--	--

I declare this is a true, complete, and accurate return to the best of my knowledge.	
SIGN HERE 	_____
	Signature of taxpayer _____ Date _____
SIGN HERE 	_____
	If preparer other than taxpayer _____ Date _____

**EFT**

For additional information, contact the Taxpayer Services Division in one of our Department of Revenue Offices:

<b>Chattanooga</b> (423) 634-6266 Suite 350 State Office Building 540 McCallie Avenue	<b>Jackson</b> (731) 423-5747 Room 405 B Lowell Thomas Building 225 Martin Luther King Blvd.	<b>Johnson City</b> (423) 854-5321 204 High Point Drive	<b>Knoxville</b> (865) 594-6100 Room 606 State Office Building 531 Henry Street	<b>Memphis</b> (901) 213-1400 1350 Appling Road	<b>Nashville</b> (615) 253-0600 3rd Floor Andrew Jackson Building 500 Deaderick Street
---	--	---	---	---	--

Tennessee residents can also call our statewide toll free number at 1-800-342-1003.  
Out-of-state callers must dial (615) 253-0600.

## INSTRUCTIONS

**General:** There is levied upon on the sale or gift of wine a tax per liter and on spirits a tax per liter, and a proportional rate per liter or container of more or less than one liter.

**Due Date:** The return along with the appropriate tax payment is due to be filed on or before the 15th day of the month following the period covered.

**Taxpayer/  
Tax Preparer's  
Signature:** You must sign and date your return. Paid preparers (accountants, attorneys etc.) must also sign the return.

**Penalty and  
Interest:** If filed late, penalty is computed at 5% of the tax (Line 6 minus Line 7 credit) for each 30 day period or portion thereof that the return is late. Total penalty is not to exceed 25% with a minimum of \$15.00 regardless of tax due. If filed late, compute interest at the current rate on the tax (Line 6 minus Line 7 credit) from the due date to the date of payment.

**Filing:** Make your check payable to the Tennessee Department of Revenue for the amount shown on Line 10 of the return and mail with the return to: Tennessee Department of Revenue, Andrew Jackson State Office Building, 500 Deaderick Street, Nashville, Tennessee 37242. Payment of the tax by Electronic Funds Transfer (EFT) does not relieve you of filing a timely tax return.

**Amended  
Return:** If this is an amended return, please indicate "Filing Period" and check the appropriate box on the front of this form.

## SCHEDULE A

Merchandise Inventory: Compute and transfer amounts on Line 5 to Line 1 on front of return.

	<b>COLUMN ONE DISTILLED SPIRITS</b>	<b>COLUMN TWO WINE</b>
1. Number of liters on hand beginning of month .....	_____	_____
2. Total liters purchased (attach printout) .....	_____	_____
3. Number of liters available (add Lines 1 & 2) .....	_____	_____
4. Liters on hand at end of month .....	_____	_____
5. Total liter disposition (subtract Line 4 from Line 3)	_____	_____

NOTE: Printouts for purchases and for exemptions, Schedule B, Lines 1 through 3, must be attached along with any other documentation for exemptions, Schedule B, Lines 4 through 7.

## SCHEDULE B

Exemptions-Liters: Compute and transfer amounts on Line 8 to Line 2 on front of return.

	<b>COLUMN ONE DISTILLED SPIRITS</b>	<b>COLUMN TWO WINE</b>
1. Sales to other wholesalers .....	_____	_____
2. Returns to Distillers, Suppliers or Exports .....	_____	_____
3. Returns from retailers .....	_____	_____
4. Damaged or deteriorated merchandise .....	_____	_____
5. Sales for sacramental purposes .....	_____	_____
6. Sales to military installations .....	_____	_____
7. Accountable losses by fire or otherwise .....	_____	_____
8. Total exemptions (add Lines 1 through 7) .....	_____	_____



Filing Period	Account No.	SSN OR FEIN
Beginning:		
Ending:	Due Date	
		<p>This report must be filed on or before the 15th day of the month following the period in which distilled spirits manufactured in Tennessee were used.</p> <p>Make your check payable to the Tennessee Department of Revenue for the amount shown on Line 6 and mail to:</p> <p>Tennessee Department of Revenue          Andrew Jackson State Office Bldg.          500 Deaderick Street          Nashville, TN 37242</p>

- 1) Please read instructions on reverse side before preparing report.
- 2) Transfer amounts reported in the worksheet to the corresponding item numbers in the bottom portion.
- 3) Be sure to sign and date in signature box on back of form.

WRITE NUMBERS LIKE THIS

1	2	3	4	5	6	7	8	9	0
---	---	---	---	---	---	---	---	---	---

ROUND TO NEAREST DOLLAR

- |  |            |
|--|------------|
| 1. Total number of liters for own use (transfer from Schedule A).....  | _____      |
| 2. Tax Due (Multiply Line 1 by \$ _____ ) .....  | <b>.00</b> |
| 3. Credit .....  | <b>.00</b> |
| 4. Penalty - if filed late, see instructions on reverse side .....   | <b>.00</b> |
| 5. Interest - if filed late, see instructions on reverse side; current interest rate per annum is _____ % .... | <b>.00</b> |
| 6. Total amount remitted .....   | <b>.00</b> |

Filing Period		Due Date	
ACCOUNT NO.			

[illegible]

For additional information, contact the Taxpayer Services Division in one of our Department of Revenue Offices:

**Chattanooga**  
(423) 634-6266  
Suite 350  
State Office Building  
540 McCallie Avenue

**Jackson**  
(731) 423-5747  
Room 405 B  
Lowell Thomas Building  
225 Martin Luther King Blvd.

**Johnson City**  
(423) 854-5321  
204 High Point Drive

**Knoxville**  
(865) 594-6100  
Room 606  
State Office Building  
531 Henley Street

**Memphis**  
(901) 213-1400  
3150 Appling Road

**Nashville**  
(615) 253-0600  
3rd Floor  
Andrew Jackson Building  
500 Deaderick Street

Tennessee residents can also call our statewide toll free number at 1-800-342-1003.  
Out-of-state callers must dial (615) 253-0600.

## INSTRUCTIONS

- General:** There is levied on any distiller or manufacturer, licensed in Tennessee, a tax on its own product as may be needed for its own use not to exceed 100 cases per month.
- Due Date:** The return along with the appropriate tax payment is due to be filed on or before the 15th day of the month following the period covered.
- Penalty and Interest:** If filed late, penalty is computed at 5% of the tax (Line 2 minus Line 3) for each 30 day period that the return is delinquent. Total penalty is not to exceed 25% of the tax due. The minimum penalty is \$15.00 regardless of the amount of tax due or whether there is any tax due. Interest is computed at the current rate of the tax (Line 2 minus Line 3) due from the due date to the date paid.
- Filing:** Make your check payable to the Tennessee Department of Revenue for the amount shown on Line 6 of the return and mail with the return to: Tennessee Department of Revenue, Andrew Jackson State Office Building, 500 Deaderick Street, Nashville, Tennessee 37242.
- Amended Return:** If this is an amended return, please indicate "Filing Period" and check the appropriate box on the front of this form.

## COMPUTATION OF TAX

1. Total number of liters for own use.
2. Multiply the total number of liters (Line 1) by tax rate.
3. Enter outstanding credit amount from previous Department of Revenue notice(s).
4. If filed late, penalty is computed at 5% of the tax (Line 2 minus Line 3) for each 30 day period that the return is delinquent. Total penalty is 25% of the tax due; the minimum penalty is \$15.00 regardless of the amount of tax due or whether there is any tax due.
5. If filed late, interest is computed at the current rate on the tax (Line 2 minus Line 3) from the due date to the date paid.
6. Total amount remitted: Add Lines 2, 4, and 5; subtract Line 3 if applicable.


## SCHEDULE A

Bottle size (in liters)						
Distilled spirits for own use (# of bottles)						Total liters

I declare this is a true, complete, and accurate return to the best of my knowledge.

SIGN  
HERE  \_\_\_\_\_  
Signature of taxpayer

Date

SIGN  
HERE  \_\_\_\_\_  
If preparer other than taxpayer

Date



TENNESSEE DEPARTMENT OF REVENUE  
COMMON CARRIERS ALCOHOLIC BEVERAGE  
AND BEER TAX RETURN

ALC  
104

Filing Period Beginning:  Ending:	Account No.	SSN OR FEIN
	Due Date	
		This return must be filed and proper tax paid on or before the 30th day of the month following the period covered. The return must be filed timely even though no tax is due.
		Make your check payable to the Tennessee Department of Revenue for the amount shown on Line 10 and mail to:  Tennessee Department of Revenue Andrew Jackson State Office Bldg. 500 Deaderick Street Nashville, TN 37242
REMINDERS 1) Please read instructions on reverse side before preparing this return. 2) Maintain adequate records to support return. 3) Be sure to sign and date in signature box below.		IF AN AMENDED RETURN CHECK HERE <input type="checkbox"/>

CARRY GALLONS TO FOUR DECIMAL PLACES

WRITE NUMBERS LIKE THIS  
ROUND TO NEAREST DOLLAR

1	2	3	4	5	6	7	8	9	0
---	---	---	---	---	---	---	---	---	---

DISTILLED SPIRITS

WINE

BEER

1. Total gallons purchased .....	_____	_____	_____										
2. Percentage factor (carry to four decimal places) .....	_____	_____	_____										
3. Taxable gallons .....	_____	_____	_____										
4. Tax rate .....	_____	_____	_____										
5. Tax due (multiply Line 4 x Line 3) .....	<u>.00</u>	<u>.00</u>	<u>.00</u>										
6. Total tax due (Add Line 5, Columns 1, 2, and 3) .....			<u>.00</u>										
7. Credit (if applicable, enter outstanding credit amount from Department of Revenue notice(s) .....			<u>.00</u>										
8. Penalty - if filed late, see instructions on reverse side .....			<u>.00</u>										
9. Interest - if filed late, see instructions on reverse side; current interest rate per annum is % .....			<u>.00</u>										
10. Total amount remitted (Add lines 6, 8, and 9, less Line 7 if applicable) .....			<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>00</td></tr></table>										00
									00				

I declare this is a true, complete, and accurate return to the best of my knowledge.

SIGN HERE ➔	Signature of taxpayer	Date
	If preparer other than taxpayer	Date

FOR OFFICE  
USE ONLY ➔

--	--	--	--	--	--

--	--	--	--	--	--	--	--	--	--

For additional information, contact the Taxpayer Services Division in one of our Department of Revenue Offices:

<b>Chattanooga</b>	<b>Jackson</b>	<b>Johnson City</b>	<b>Knoxville</b>	<b>Memphis</b>	<b>Nashville</b>
(423) 634-6266	(731) 423-5747	(423) 854-5321	(865) 594-6100	(901) 213-1400	(615) 253-0600
Suite 350	Room 405 B	204 High Point Drive	Room 606	3150 Appling Road	3rd Floor
State Office Building	Lowell Thomas Building		State Office Building		Andrew Jackson Building
540 McCallie Avenue	225 Martin Luther King Blvd.		531 Henley Street		500 Deaderick Street

Tennessee residents can also call our statewide toll free number at 1-800-342-1003.  
Out-of-state callers must dial (615) 253-0600.

## INSTRUCTIONS

- General:** Commercial airlines and/or passenger trains that import or possess within this State, alcoholic beverages and/or beer on which State tax has not been levied, are liable for such tax. The amount of the tax will be determined by multiplying total gallons of alcoholic beverages and/or beer purchased system-wide by the ratio of Tennessee revenue miles to the system-wide revenue miles times the respective tax rate.
- Due Date:** The return along with the appropriate payment is due to be filed on or before the 30th day of the month following the period covered.
- Taxpayer/  
Tax Preparer's  
Signature:** You must sign and date your return. Paid preparers, (accountants, attorneys etc.) must also sign the return.
- Filing:** Make your check payable to the Tennessee Department of Revenue for the amount shown on Line 10 of the return and mail with the return to: Tennessee Department of Revenue, Andrew Jackson State Office Building, 500 Deaderick Street, Nashville, Tennessee 37242. Payment of the tax by Electronic Funds Transfer (EFT) does not relieve you of filing a timely tax return.
- Amended  
Return:** If this is an amended return, please indicate "Filing Period" and check the appropriate box on the bottom of this form.

## COMPUTATION OF TAX

1. Total gallons of alcoholic beverages and beer purchased for use within the total system for the month.
2. Enter percentage factor of taxable RPM's for Tennessee. The percentage factor is determined by dividing Revenue passenger miles (RPM's) for Tennessee by RPM's within the system.
3. Calculate taxable gallons: Multiply Line 2 by Line 1.
4. Tennessee beverage volume tax rate per gallon.
5. Tax Due: Multiply Line 4 by Line 3.
6. Total tax due (Add Line 5, Columns 1, 2, and 3).
7. Enter outstanding credit amount from previous Department of Revenue notice(s).
8. If filed late, penalty is computed at 5% of the tax (Line 6 minus Line 7) due for each 30 day period that the return is late. Maximum penalty is not to exceed 25% of the tax due; minimum penalty is \$15 regardless of the tax amount due or whether there is any tax due.
9. If filed late, interest is computed at the current rate on the tax (Line 6 minus Line 7) from the due date to the date paid.
10. Total amount remitted (Add lines 6, 8, and 9, less Line 7 if applicable).





TENNESSEE DEPARTMENT OF REVENUE  
ALCOHOLIC BEVERAGE ENFORCEMENT TAX RETURN

ALC  
109

Filing Period Beginning:  Ending:	Account No.	SSN OR FEIN
	Due Date	

This return must be filed and the proper tax paid on or before the 15th day of the month following the period covered. The return must be filed timely even though no tax is due.

Make your check payable to the Tennessee Department of Revenue for the amount shown on Line 11 and mail to:

Tennessee Department of Revenue  
Andrew Jackson State Office Building  
500 Deaderick Street  
Nashville, TN 37242

REMINDERS

1. Read instructions on reverse side before preparing this return.
2. Carry Lines 1, 2, and 3 below to four decimal places.
3. Sign and date your return in the signature box below.

IF AN AMENDED  
RETURN  
CHECK HERE

☐

WRITE NUMBERS LIKE THIS  
ROUND TO NEAREST DOLLAR

1	2	3	4	5	6	7	8	9	0
---	---	---	---	---	---	---	---	---	---

DISTILLED SPIRITS

CASES-TO FOUR DECIMAL PLACES

WINE

1. Total cases sold at wholesale .....	_____	_____
2. Less: Gross cases returned from retailers .....	_____	_____
3. Taxable cases sold at wholesale (subtract Line 2 from Line 1) .....	_____	_____
4. Tax liability (multiply Line 3 by \$ _____) .....	_____	_____
5. Less Authorized adjustments .....	_____	_____
6. Net Tax Due (Line 4 minus Line 5) .....	_____	_____
7. Total Tax Due (Add Line 6, columns 1 & 2) .....	_____	_____
8. Credits: Enter outstanding amounts from previous Department of Revenue notice(s) .....	_____	_____
9. Penalty - if filed late, see instructions on reverse side .....	_____	_____
10. Interest - if filed late, see instructions on reverse side; current interest rate per annum is _____ %	_____	_____
11. Total remittance amount (Add lines 7, 9, & 10; less Line 8, if applicable) .....	_____	_____

FOR OFFICE  
USE ONLY

--	--	--	--	--	--

--	--	--	--	--	--	--	--	--	--

I declare this is a true, complete, and accurate return to the best of my knowledge.

SIGN  
HERE

Signature of taxpayer

Date

SIGN  
HERE

If preparer other than taxpayer

Date

For additional information, contact the Taxpayer Services Division in one of our Department of Revenue Offices:

<b>Chattanooga</b>	<b>Jackson</b>	<b>Johnson City</b>	<b>Knoxville</b>	<b>Memphis</b>	<b>Nashville</b>
(423) 634-6266	(731) 423-5747	(423) 854-5321	(865) 594-6100	(901) 213-1400	(615) 253-0600
Suite 350	Room 405 B	204 High Point Drive	Room 606	3150 Appling Road	3rd Floor
State Office Building	Lowell Thomas Building		State Office Building		Andrew Jackson Building
540 McCallie Avenue	225 Martin Luther King Blvd.		531 Henley Street		500 Deaderick Street

Tennessee residents can also call our statewide toll free number at 1-800-342-1003.

Out-of-state callers must dial (615) 253-0600.

## INSTRUCTIONS

- General:** There is a tax imposed on the sale of alcoholic beverages at wholesale per case sold in Tennessee. The tax should be paid monthly by the wholesaler.
- Due Date:** The return for Alcoholic Beverage Enforcement Tax is due to be filed on or before the 15th day of the month following the filing period.
- Taxpayer/  
Tax Preparers  
Signature:** You must sign and date your return. Paid preparers, (accountants, attorneys etc.) must also sign the return.
- Filing:** Make your check payable to the Tennessee Department of Revenue for the amount shown on Line 9 of the return and mail with the return to: Tennessee Department of Revenue, Andrew Jackson State Office Building, 500 Deaderick Street, Nashville, Tennessee 37242.
- Amended  
Return:** If this is an amended return, please indicate "Period Ending" and check the appropriate box below.

## COMPUTATION OF TAX

1. Total number of cases of distilled spirits and wine sold at wholesale.
2. Gross cases of distilled spirits and wine returned by retailers.
3. Subtract Line 2 from Line 1.
4. Tax liability (multiply Line 3 by tax rate).
5. Authorized adjustments for unsalable beverages.
6. Net tax due - subtract Line 5 from Line 4 in both columns.
7. Total Tax Due - add the totals from Line 6 in both columns.
8. Enter any outstanding credit amount from previous Department of Revenue notice(s).
9. If filed late, penalty is computed at 5% of the tax (Line 7 minus Line 8) for each 30 day period that the report is delinquent. Maximum penalty is 25% of the tax due; minimum penalty is \$15 regardless of the tax amount due or whether there is any tax due.
10. If filed late, interest is computed on the tax (Line 7 minus Line 8) at the current rate from due date until date paid.
11. Total remittance amount (Add Lines 7, 9, and 10; subtract Line 8 if applicable).



**BER  
114**

**APPLICATION FOR BEER CERTIFICATE OF REGISTRATION  
FOR WHOLESALERS**

**BUSINESS NAME AND EXACT LOCATION**

Owner Name \_\_\_\_\_  
Address 1 \_\_\_\_\_  
Address 2 \_\_\_\_\_  
City, State, Zip \_\_\_\_\_  
Business Phone \_\_\_\_\_

**BUSINESS MAILING ADDRESS**

Trade Name \_\_\_\_\_  
Address 1 \_\_\_\_\_  
Address 2 \_\_\_\_\_  
City, State, Zip \_\_\_\_\_  
Is business located inside city limits? Yes ( ) No ( )  
If "yes", specify city \_\_\_\_\_

Please complete this application and return it to this office with the appropriate remittance as shown on the bottom of this notice. All questions must be answered completely for your application to be processed.

Any person failing to apply for a certificate of registration upon entering business or failing to obtain a renewal certificate by January 20th of each year will be penalized \$5.00 for each month or part of a month the application is late. Penalty will not exceed the cost of the certificate.

For additional information regarding this application you may call Taxpayer Services between 8:00 a.m. and 4:30 p.m. (CT), Monday through Friday, holidays excepted. Please see the back of this notice for our local offices and phone numbers.

**Type of Ownership:** ( ) Proprietorship ( ) Partnership ( ) Corporation

**SSN** \_\_\_\_\_ **FEIN** \_\_\_\_\_

**IDENTIFY OWNERS, OFFICERS, OR PARTNERS (if more space is required attach additional sheets).**

(1) Name \_\_\_\_\_  
Address \_\_\_\_\_  
City, State, Zip Code \_\_\_\_\_  
Phone No. \_\_\_\_\_

(2) Name \_\_\_\_\_  
Address \_\_\_\_\_  
City, State, Zip Code \_\_\_\_\_  
Phone No. \_\_\_\_\_

**FOR OFFICE  
USE ONLY**

--	--	--	--	--	--	--	--

--	--	--	--	--	--	--	--



1. Wholesale Distributor (\$20.00) \_\_\_\_\_
2. Penalty (see above) \_\_\_\_\_
3. Total amount of payment \$ \_\_\_\_\_

**MAKE CHECK PAYABLE TO:  
TENNESSEE DEPARTMENT OF REVENUE**

Under penalties of perjury, I declare that the statements in this application are true and correct to the best of my knowledge and belief. This application applies only to the specified business and location listed hereon.

\_\_\_\_\_  
*Authorized Signature & Title*

\_\_\_\_\_  
*Date*

For additional information, contact the Taxpayer Services Division in one of our Department of Revenue Offices:

<b>Chattanooga</b>	<b>Jackson</b>	<b>Johnson City</b>	<b>Knoxville</b>	<b>Memphis</b>	<b>Nashville</b>
(423) 634-6266	(731) 423-5747	(423) 854-5321	(865) 594-6100	(901) 213-1400	(615) 253-0600
Suite 350	Room 405 B	204 High Point Drive	Room 606	3150 Appling Road	3rd Floor
State Office Building	Lowell Thomas Building		State Office Building	Bartlett, TN	Andrew Jackson Building
540 McCallie Avenue	225 Martin Luther King Blvd.		531 Henley Street		500 Deaderick Street

Tennessee residents can also call our statewide toll free number at 1-800-342-1003.

Out-of-state callers must dial (615) 253-0600

## **ASSISTANCE**

For additional information or assistance regarding this application, you should contact the Department of Revenue. Tennessee residents may use the toll-free number, 1-800-342-1003. Nashville area and out of state callers may call (615) 253-0600. You may call either of these numbers between 8:00 a.m. and 4:30 p.m. (CT), Monday through Friday, holidays excepted. You may direct any correspondence or submit written information to the following address: Tennessee Department of Revenue, 500 Deaderick Street, Nashville, TN 37242. Please provide your account number and notice when inquiring about the notice.



**BER  
115**

**APPLICATION FOR BEER CERTIFICATE OF REGISTRATION  
FOR MANUFACTURERS/IMPORTERS**

**BUSINESS NAME AND EXACT LOCATION**

Owner Name \_\_\_\_\_  
Address 1 \_\_\_\_\_  
Address 2 \_\_\_\_\_  
City, State, Zip \_\_\_\_\_  
Business Phone \_\_\_\_\_

**BUSINESS MAILING ADDRESS**

Trade Name \_\_\_\_\_  
Address 1 \_\_\_\_\_  
Address 2 \_\_\_\_\_  
City, State, Zip \_\_\_\_\_  
Is business located inside city limits? Yes ( ) No ( )  
If "yes", specify city \_\_\_\_\_

Please complete this application and return it to this office with the appropriate remittance as shown on the bottom of this notice. All questions must be answered completely for your application to be processed.

Any person failing to apply for a certificate of registration upon entering business or failing to obtain a renewal certificate by January 20th of each year will be penalized \$5.00 for each month or part of a month the application is late. Penalty will not exceed the cost of the certificate.

For additional information regarding this application you may call Taxpayer Services between 8:00 a.m. and 4:30 p.m. (CT), Monday through Friday, holidays excepted. Please see the back of this notice for our local offices and phone numbers.

**Type of Ownership:** ( ) Proprietorship ( ) Partnership ( ) Corporation

**SSN** \_\_\_\_\_ **FEIN** \_\_\_\_\_

**IDENTIFY OWNERS, OFFICERS, OR PARTNERS (if more space is required attach additional sheets).**

(1) Name \_\_\_\_\_  
Address \_\_\_\_\_  
City, State, Zip Code \_\_\_\_\_  
Phone No. \_\_\_\_\_

(2) Name \_\_\_\_\_  
Address \_\_\_\_\_  
City, State, Zip Code \_\_\_\_\_  
Phone No. \_\_\_\_\_

**FOR OFFICE  
USE ONLY**

--	--	--	--	--	--

--	--	--	--	--	--	--



1. Manufacturer/Importer (\$40.00) \_\_\_\_\_
2. Penalty (see above) \_\_\_\_\_
3. Total amount of payment \$ \_\_\_\_\_

**MAKE CHECK PAYABLE TO:  
TENNESSEE DEPARTMENT OF REVENUE**

Under penalties of perjury, I declare that the statements in this application are true and correct to the best of my knowledge and belief. This application applies only to the specified business and location listed hereon.

\_\_\_\_\_  
*Authorized Signature & Title*

\_\_\_\_\_  
*Date*

For additional information, contact the Taxpayer Services Division in one of our Department of Revenue Offices:

<b>Chattanooga</b>	<b>Jackson</b>	<b>Johnson City</b>	<b>Knoxville</b>	<b>Memphis</b>	<b>Nashville</b>
(423) 634-6266	(731) 423-5747	(423) 854-5321	(865) 594-6100	(901) 213-1400	(615) 253-0600
Suite 350	Room 405 B	204 High Point Drive	Room 606	3150 Appling Road	3rd Floor
State Office Building	Lowell Thomas Building		State Office Building	Bartlett, TN	Andrew Jackson Building
540 McCallie Avenue	225 Martin Luther King Blvd.		531 Henley Street		500 Deaderick Street

Tennessee residents can also call our statewide toll free number at 1-800-342-1003.

Out-of-state callers must dial (615) 253-0600

## **ASSISTANCE**

For additional information or assistance regarding this application, you should contact the Department of Revenue. Tennessee residents may use the toll-free number, 1-800-342-1003. Nashville area and out of state callers may call (615) 253-0600. You may call either of these numbers between 8:00 a.m. and 4:30 p.m. (CT), Monday through Friday, holidays excepted. You may direct any correspondence or submit written information to the following address: Tennessee Department of Revenue, 500 Deaderick Street, Nashville, TN 37242. Please provide your account number and notice when inquiring about the notice.



**BER**  
**108**

Filing Period		ACCOUNT NO.	<p>If this is an AMENDED RETURN, please check the box at right</p> <div style="display: flex; align-items: center;"> <span style="font-size: 3em; margin-right: 10px;">}</span> <div style="border: 1px solid black; width: 40px; height: 40px; margin-left: 10px;"></div> </div>
Due Date		LOCATION ADDRESS	
SSN or FEIN			

Returns must be postmarked by the due date to avoid the assessment of penalty and interest. Returns must be filed even if no sales were made or any tax due.

Make your check payable to the Tennessee Department of Revenue for the amount shown on Line 19 and mail to:

Tennessee Department of Revenue  
Andrew Jackson State Office Bldg.  
500 Deaderick Street  
Nashville, TN 37242

ROUND TO NEAREST DOLLAR  
WRITE NUMBERS LIKE THIS

1	2	3	4	5	6	7	8	9	0
---	---	---	---	---	---	---	---	---	---

1.	Gallons multiplied by \$	(1)	00
2.	Half barrels (15.5) multiplied by \$	(2)	00
3.	Quarter barrels (7.75 gallons) multiplied by \$	(3)	00
4.	Cases of 24-10 oz. multiplied by \$	(4)	00
5.	Cases of 24-12 oz., 2/12-12 oz. and 12-24 oz. multiplied by \$	(5)	00
6.	Cases of 12-32 oz. and 24-16 oz. multiplied by \$	(6)	00
7.	Cases of 48-7 oz. and 24-14 oz. multiplied by \$	(7)	00
8.	Cases of 36-7 oz. multiplied by \$	(8)	00
9.	Cases of 24-8 oz. multiplied by \$	(9)	00
10.	Other	... (10)	00
11.	Other	... (11)	00
12.	Other	... (12)	00
13.	Total (Add Lines 1 through 12)	(13)	00
14.	Exemptions - Sales to military	(14)	00
15.	Net tax due (subtract Line 14 from Line 13)	(15)	00
16.	Credit [enter outstanding credit amount from previous Department of Revenue notice(s)]	(16)	00
17.	Penalty [If filed late, penalty is computed at 5% of the tax (Line 15 minus Line 16) for each 30-day period or portion thereof that the return is delinquent. Maximum penalty is 25% of the tax due; minimum penalty is \$15 regardless of the tax amount due or whether any tax is due.]	(17)	00
18.	Interest (If filed late, compute interest at % per annum on the tax (Line 15 minus Line 16) from the due date to the date of payment)	(18)	00
19.	Total Amount (Add lines 15, 17, and 18; subtract Line 16)	(19)	00

I declare this is a true, complete, and accurate return to the best of my knowledge.

SIGN HERE

President or other Principal Officer, Partner or Proprietor

Date

SIGN HERE

Tax Return Preparer and Title

Date

FOR OFFICE USE ONLY



For additional information, contact the Taxpayer Services Division in one of our Department of Revenue Offices:

**Chattanooga**  
(423) 634-6266  
Suite 350  
State Office Building  
540 McCallie Avenue

**Jackson**  
(731) 423-5747  
Room 405 B  
Lowell Thomas Building  
225 Martin Luther King Blvd.

**Johnson City**  
(423) 854-5321  
204 High Point Drive

**Knoxville**  
(865) 594-6100  
Room 606  
State Office Building  
531 Henley Street

**Memphis**  
(901) 213-1400  
3150 Appling Road

**Nashville**  
(615) 253-0600  
3rd Floor  
Andrew Jackson Building  
500 Deaderick Street

Tennessee residents can also call our statewide toll free number at 1-800-342-1003.  
Out-of-state callers must dial (615) 253-0600.

## INSTRUCTIONS

- General:** There is levied in this state a tax in the amount of three dollars and ninety cents (\$3.90) per barrel of thirty-one (31) gallons on beer or other alcoholic beverages of like alcoholic content. This tax is upon the storing, selling, distributing by gift or sale or manufacturing of beer or other beverages of like alcoholic content. Barrels containing more or less than thirty-one (31) gallons shall be taxed at a proportional rate.
- Manufacturers:** Brewers shipping or delivering beer or other beverages of like alcoholic content into this state are not required to file a Beer Tax Return (BER 108) but shall furnish a properly completed Schedule A or a print-out of like information for any such products shipped or delivered.
- Wholesalers and Importing Distributors:** Wholesalers or distributors importing or handling beer or other beverages of like alcoholic content shall at the time of filing this return furnish a completed Schedule A or provide their own print-out containing the same information for beer or other beverages received during the reporting period. Totals from Schedule A or a printout shall be summarized and transferred to the front of this form and the tax shall be paid on any products on which tax has not been previously paid by a brewery.
- Taxpayer/  
Tax Preparer's  
Signature:** You must sign and date your return. Paid preparers, (accountants, attorneys etc.) must also sign the return.
- Filing:** Make your check payable to the Tennessee Department of Revenue for the amount shown on Line 19 of the return and mail with the return and any attachments to: Tennessee Department of Revenue, Andrew Jackson State Office Building, 500 Deaderick Street, Nashville, Tennessee 37242. Payment of the tax by Electronic Funds Transfer (EFT) does not relieve you of filing a timely tax return.



## Please fill in this Schedule A or provide printout with information

Check if ☐ Sales to Wholesalers  
☐ Receipts by Wholesalers

Name of Business: \_\_\_\_\_ Filing Period: \_\_\_\_\_

Filing Period: \_\_\_\_\_  
Account No.: \_\_\_\_\_

[illegible]



TENNESSEE DEPARTMENT OF REVENUE  
WHOLESALE BEER TAX RETURN

BER  
107

Filing Period		ACCOUNT NO.	SSN or FEIN
Due Date		LOCATION ADDRESS	

Returns must be postmarked by the due date to avoid the assessment of penalty and interest. Returns must be filed even if no sales were made or any tax due.

Make your check payable to the Tennessee Department of Revenue for the amount shown on Line 9 and mail to:

Tennessee Department of Revenue  
Andrew Jackson State Office Bldg.  
500 Deaderick Street  
Nashville, TN 37242

For assistance, you may call in-state toll free 1-800-342-1003 or (615) 253-0600.

**Reminders**

- 1) Please read instructions on the back before preparing this return.
- 2) Maintain adequate records to support return.
- 3) Be sure to sign and date in the signature box below.

If this is an AMENDED RETURN, }  
please check the box at right

☐

ROUND TO NEAREST DOLLAR  
WRITE NUMBERS LIKE THIS

1 2 3 4 5 6 7 8 9 0

1. Total amount of tax collected ( % of gross sales) (Total of Column (c) on Schedule A) ..... (1)
2. Total amount of tax paid directly to counties and cities ( %) (Total of Column (d) on Schedule A) ... (2)
3. Vendors compensation ( % of Line 1) ..... (3)
4. Tax due state (subtract lines 2 and 3 from Line 1) ..... (4)
5. Credit (Enter outstanding credit amount from previous Department of Revenue notices) ..... (5)
6. Net Tax (Subtract Line 5 from Line 4) ..... (6)
7. **Penalty** { If filed late, penalty is computed at 5% of the tax (Line 6) for each 30-day period or portion thereof that the return is delinquent. Maximum penalty is 25% of the tax due; minimum penalty is \$15 regardless of the tax amount due or whether any tax is due. .... (7)
8. Interest (Multiply Line 6 by % per annum on taxes unpaid by the due date) ..... (8)
9. Total Amount Remitted (Add lines 6, 7, and 8) ..... (9)

										00
										00
										00
										00
										00
										00
										00
										00
										00
										00

FOR OFFICE  
USE ONLY ➡

--	--	--	--	--	--

--	--	--	--	--	--	--	--	--	--

I declare this is a true, complete, and accurate return to the best of my knowledge.

SIGN HERE ➡  
\_\_\_\_\_  
President or other Principal Officer, Partner or Proprietor Date

SIGN HERE ➡  
\_\_\_\_\_  
Tax Return Preparer and Title Date

T

For additional information, contact the Taxpayer Services Division in one of our Department of Revenue Offices:

<b>Chattanooga</b>	<b>Jackson</b>	<b>Johnson City</b>	<b>Knoxville</b>	<b>Memphis</b>	<b>Nashville</b>
(423) 634-6266	(731) 423-5747	(423) 854-5321	(865) 594-6100	(901) 213-1400	(615) 253-0600
Suite 350	Room 405 B	204 High Point Drive	Room 606	3150 Appling Road	3rd Floor
State Office Building	Lowell Thomas Building	State Office Building	State Office Building		Andrew Jackson Building
540 McCallie Avenue	225 Martin Luther King Blvd.	531 Henley Street			500 Deaderick Street

Tennessee residents can also call our statewide toll free number at 1-800-342-1003.  
Out-of-state callers must dial (615) 253-0600.

## INSTRUCTIONS

- General:** This is a monthly % wholesale beer tax return. Schedule A is a summary of all beer sales broken down by counties and cities. Schedule A is required to be attached to this return. A county and city situs code list is enclosed with the first return you receive for the information needed in Column (a) on Schedule A. Please retain this situs code list for future use. Complete instructions for Schedule A are located at the top of the schedule sheet.
- Penalty & Interest** If filed late, penalty is 5% for each 30-day period of delinquency or portion thereof not to exceed 25% (minimum penalty is \$15.00). Interest is computed at the current rate on the tax from due date to date paid.
- Taxpayer/  
Tax Preparer's  
Signature:** You must sign and date your return. Paid preparers, (accountants, attorneys etc.) must also sign the return.
- Filing:** Make your check payable to the Tennessee Department of Revenue for the amount shown on Line 9 of the return and mail with the return to: Tennessee Department of Revenue, Andrew Jackson State Office Building, 500 Deaderick Street, Nashville, Tennessee 37242. Payment of the tax by Electronic Funds Transfer (EFT) does not relieve you of filing a timely tax return.
- Amended Return:** If this is an amended return, please indicate "Filing Period" and check the appropriate box on the front of this return.

## COMPUTATION OF TAX

1. Complete all lines on Schedule A. Total each of the columns on Schedule A and bring appropriate total forward to the front of the return as directed.
2. List on Line 5 any outstanding credit amount from previous Department of Revenue notices.
3. If filed late, list penalty on Line 7 and interest on Line 8.
4. Subtract lines 2 and 3 from Line 1. Subtract Line 5 from Line 4 to get net tax due. Add lines 6, 7, and 8 to arrive at total amount due and remitted on Line 9.

**BER  
116**

**Wholesale Beer Tax Return  
Schedule A**

If more space is needed, please attach additional copies of this sheet. A reasonable, computer-generated facsimile of Schedule A will be accepted if it matches the format of this schedule.

Refer to the enclosed situs code list to find the situs code for each county and city where beer sales were made for column (a).

List the situs code in Column (a) and the name of the county or city in Column (b). List the total tax collected in that county or city in Column (c). List the tax paid to the county or city (96.5%) in Column (d), the 3% commission retained in Column (e). Commission can only be taken if the return is filed timely and the total tax due is paid. List the .5% tax due the state in Column (f).

Total the amount of tax for all counties and cities in each column on the last line of Schedule A.

Business Name		Account #	Filing Period			
Situs Codes (a)	County or City (b)	Total Tax Collected (c)	96.5% (d)	3% (e)	.5% (f)	
1. _____	_____	_____	_____	_____	_____	
2. _____	_____	_____	_____	_____	_____	
3. _____	_____	_____	_____	_____	_____	
4. _____	_____	_____	_____	_____	_____	
5. _____	_____	_____	_____	_____	_____	
6. _____	_____	_____	_____	_____	_____	
7. _____	_____	_____	_____	_____	_____	
8. _____	_____	_____	_____	_____	_____	
9. _____	_____	_____	_____	_____	_____	
10. _____	_____	_____	_____	_____	_____	
11. _____	_____	_____	_____	_____	_____	
12. _____	_____	_____	_____	_____	_____	
13. _____	_____	_____	_____	_____	_____	
14. _____	_____	_____	_____	_____	_____	
15. _____	_____	_____	_____	_____	_____	
16. _____	_____	_____	_____	_____	_____	
17. _____	_____	_____	_____	_____	_____	
18. _____	_____	_____	_____	_____	_____	
19. _____	_____	_____	_____	_____	_____	
20. _____	_____	_____	_____	_____	_____	
21. _____	_____	_____	_____	_____	_____	
22. _____	_____	_____	_____	_____	_____	
23. _____	_____	_____	_____	_____	_____	
24. _____	_____	_____	_____	_____	_____	
25. _____	_____	_____	_____	_____	_____	
26. _____	_____	_____	_____	_____	_____	
27. _____	_____	_____	_____	_____	_____	
28. _____	_____	_____	_____	_____	_____	
29. _____	_____	_____	_____	_____	_____	
30. _____	_____	_____	_____	_____	_____	
31. _____	_____	_____	_____	_____	_____	
32. _____	_____	_____	_____	_____	_____	
33. _____	_____	_____	_____	_____	_____	
34. _____	_____	_____	_____	_____	_____	
35. _____	_____	_____	_____	_____	_____	
Totals (Add lines 1 through 35) .....		(c) _____	(d) _____	(e) _____	(f) _____	

Enter here and on front of return on Line 1 (column c) and Line 2 (column d)



Authorization Number 347183; 135 copies; January 2003. This public document was promulgated at a cost of \$1.82 per copy, Tennessee Department of Revenue.